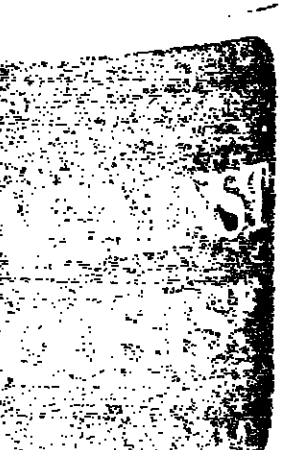


ELI'S  
DRUGS  
SPECIALS

ends the  
gun



Mr. John Stonehouse, the jailed former MP, attended bankruptcy proceedings in London. Page 11.

Mr. Edmund Garvey, the Irish Republic's dismissed police chief, has asked the Government to clear him publicly of any "irregularity or impropriety".

FROM  
**John Williams**  
CARDIFF 33622

CONTINENTAL SELLING PRICES: AUSTRIA Sch.15; BELGIUM Fr.25; DENMARK Kr.3.5; FRANCE Fr.3.0; GERMANY DM2.0; ITALY L.500; NETHERLANDS Fl.2.0; NORWAY Kr.3.5; PORTUGAL Esc.20; SPAIN Ptas.40; SWEDEN Kr.3.25; SWITZERLAND Fr.2.0; EIRE Lp

# FINANCIAL TIMES

No. 27,471

Saturday January 28 1978

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## NEWS SUMMARY

### GENERAL

#### 40 die as ice grips U.S.

The U.S. Middle West reeled from the effects of the worst blizzard for at least ten years which has left at least 40 people dead, closed Chicago's airport indefinitely and made thousands of miles of roads unusable.

Police reports from Ohio and Michigan, the two most seriously affected states, indicated that many motorists may have been frozen to death inside cars immobilised in some of the worst snow drifts ever experienced there.

Ohio and Indiana were declared emergency areas which qualifies them for special Federal help.

**Radiation report was 'mistake'**

A supposed high-level source of radiation in Canada which had been thought to come from a crashed Soviet nuclear-powered satellite, has now been found not to exist. The report was based on a fault or aberration in the equipment of a checking aircraft, it was said in Ottawa. Feature, Page 12.

**Two accused of ex-MP's murder**

Two men appeared in Haddington Sheriff Court, Edinburgh, accused of murdering Mr. Walter Scott-S Elliot, an 82-year-old former Labour MP. The charge alleged that Archibald Thomson Hall, 55, and Michael Anthony Killo, 39, strangled him on a piece of waste ground near Inverness. It was also alleged that Mr. Hall murdered another man, David Michael Wright, by shooting him in the head. The two men appeared separately on a charge of theft of property from a Staines Street, London, flat.

**London fares to go up 10%**

Fares on London Transport buses and Underground trains are to rise by an average of 10 per cent. from mid-June.

**Rhodesia row**

Bishop Muzorewa, leader of the United African National Council, walked out of Rhodesian settlement talks in Salisbury yesterday, because of Government intransigence and "extremely abusive language". Back Page.

**Dogs of war**

Claiming that a group of British mercenaries has been recruited for service in Angola with Dr. Holden Roberts, the rebel FNL movement and was planning to leave for Africa shortly, the Foreign Office warned that the Government "could be in no way responsible for the fate of anyone foolish enough to become involved." Page 10.

**Concorde setback**

British and Malaysian officials failed to reach agreement in Kuala Lumpur on a resumption of Concorde flights to and from Singapore across Malaysian airspace. Page 11.

**Leeds barred**

The Football Association has banned Leeds United from playing any FA Cup ties at home for the next three seasons because of the invasion of the Elland Road pitch by spectators at the third round tie against Manchester City.

**Briefly...**

Comedians Eric Morecambe and Ernie Wise have forsaken the BBC and signed a two-year contract with ITV's Thames Television.

Mr. John Stonehouse, the jailed former MP, attended bankruptcy proceedings in London. Page 11.

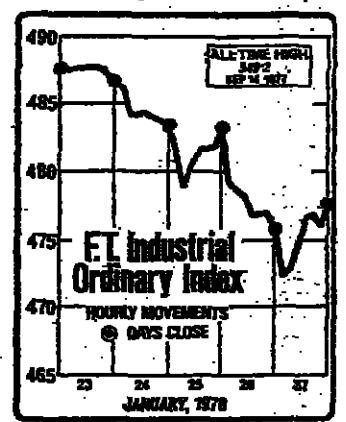
About 12,000 applicants are still waiting for the 1978-79 war service, the Commons were told.

Mr. Edmund Garvey, the Irish Republic's dismissed police chief, has asked the Government to clear him publicly of any "irregularity or impropriety".

### BUSINESS

#### Equities up 1.7; Gilts erratic

● **EQUITIES** responded to a slight technical rally, and the FT Ordinary Index closed 1.7



up at 471.7, making a loss of 10.1 on the week.

● **GILTS** hardened a little in late trading, but the Government Securities Index closed 0.18 down at 78.19.

● **STERLING** fell 1 cent to 1.5475, and its index remained at 65.5. The dollar gained ground, and its depreciation narrowed to 4.59 per cent. (4.86).

● **GOLD** rose \$1 to \$1761.

● **WALL STREET** closed 0.78 off at 761.12.

● **BSC** will start up its winter plant at Redcar with full union co-operation after all, following ratification of a manning agreement by the boiler-makers. Commissioning of the plant will give work to 750 men. But BSC is to reduce its manning levels by 25 per cent. mainly at its South Wales plant. Back Page.

● **EMPLOYMENT** Secretary, Mr. Albert Booth, is expected to commit the Government to continue the temporary employment subsidy and the extension of other job protection schemes in Monday's debate in the Commons on unemployment. Back Page.

● **UNIONS** would be consulted before any change in industrial relations laws were made, by a Conservative government, Mr. James Prior has assured the Commons. Page 13.

● **SOVIET UNION** imports from Britain rose 45 per cent. in 1977, and Anglo-Soviet contracts signed last year are expected to increase the U.K. share of Russia's imports in 1978. Page 11.

● **BRITAIN** could be importing the equivalent of nearly 100m. tons of coal within the next 20 years, an Energy Commission paper has warned. Page 11.

● **NATIONAL SAVINGS BANK** is to cut the interest rate on investment accounts from 9 per cent. to 8 1/2 per cent. from March 1. Page 11.

● **TREASURY** and the Bank of England plan new protection measures for small depositors in banks and other institutions. Page 11.

● **DISTILLERS' COMPANY** arguments for raising U.K. prices of some of its whiskies to protect export earnings has been accepted by the Price Commission. Page 13.

● **COMPANIES**

● **VOLVO** reports a pretax profit drop in 1977 of 43 per cent. to Kr.330m. (136.6m.), in spite of a three per cent. rise in turnover to Kr.16,230m. Page 17.

● **TEXACO** has raised its profits for 1977 from \$787.3m. to \$871.7m., following a strong performance overseas. Page 17.

## Leyland may seek £400m new equity from Government

BY OUR INDUSTRIAL STAFF

British Leyland is considering an appeal to the Government for about £400m. of new equity capital. A cash injection of this size is regarded as central to the financial reconstruction being planned by Mr. Michael Edwardes, the new chairman.

The plan, due to go to the National Enterprise Board, Leyland's major shareholder, is likely to provoke political controversy. It comes within three years of the Ryder reconstruction of the company under which it received a £200m. equity injection from the Government.

A thorough appraisal of the company's financial requirement for the next five years, is well under way and Leyland executives believe that the total demand on Government finance can be held broadly within the original Ryder proposals—about £580m. remains to be spent from this sum.

A series of economy measures, which will mean trimming several of the company's projects, has been put in train to achieve this objective.

But, at the same time it has become apparent that the financial deterioration, caused mainly by the poor performance of Leyland Cars in the last three years, has gone so far that the company needs a fresh equity injection.

The rest of the financing requirement will be met by normal, interest-bearing loans.

Although the Government has given several firm indications of support for Mr. Edwardes over the last few weeks, it is by no

means clear that he will get all he wants on the financial front. There are strong indications that in the first place the Enterprise Board and the Government will meet only one or two years' cash requirements while it sees whether Mr. Edwardes's reforms are paying off. Partly because of this, plans are being considered to raise the equity under a part-paid shares scheme.

But, at the same time Mr. Edwardes has made it clear that he wants a clear run once his financial plan is approved and that he will brook no interference of the kind which resulted in the investment freezes during the last three years.

**'No threats'**

Mr. James Callaghan, speaking in Birmingham, indicated that he was sympathetic to this approach.

"I make no threats about withholding funds if targets are not met. That kind of language can lead to bloody-mindedness," he said on Thursday.

The personal backing which the Prime Minister has given to Mr. Edwardes in his approach to the problems of Leyland will strengthen the company's hand in pressing through redundan-

The cars group is thought to be looking for a cut of nearly 20,000 jobs over the next five years, about half of them this year.

However, the extent of the labour shake-out is bound to depend upon output and sales over the next 12 months. Leyland is to implement an aggressive sales policy to try to push U.K. market share from the present level of little more than 20 per cent. to almost 30 per cent. by the end of the year.

A 20 per cent. market share is seen as the absolute floor beneath which the future of volume car operations would be at risk. Mr. Edwardes has made it clear that he will not shrink drastic action in order to meet the Government objective of operating Leyland in a realistic and businesslike way.

While the aim is to raise market share and produce £250,000 vehicles in 1978, Leyland realises that its weak model range, particularly for fleet cars, will make it vulnerable to competition in succeeding years.

Output targets have been phased down from the original Ryder projection of 1.2m. vehicles a year. Annual production is likely to run at between 800,000 and 900,000 units in the next five years.

Labour News Page 13

## Sun Alliance threatened with pay sanctions

BY ERIC SHORT

SUN ALLIANCE and London insurance faces a compulsory cut in its premium rates because it changed its staff pension scheme in a way which the Government claims broke the pay guidelines.

The first step towards this has been taken by Mr. Stanley Clinton-Davis, Under-Secretary for Trade, who has written to the company seeking a meeting.

The sanctions threat follows a decision by Sun Alliance to make its staff pension scheme non-contributory.

If sanctions are imposed, premium rates would be cut sufficiently to produce a total fall in income equivalent to the extra money being paid to staff.

Section 9 of the Counter Inflation Act, 1973, gives the Secretary for Trade power to restrict insurance premiums. Authority rests with him, rather than the Price Commission, because of his responsibility under the Insurance Companies Act, 1974, for overseeing the solvency of insurance companies.

However, in exercising this control he has to take into account the provisions of the price code.

The Department of Trade said yesterday that the letter explained the powers very clearly. The main object of this action was to reassure policyholders with Sun Alliance that they were not paying for an inflationary pay increase, and that the costs of such a rise were met by the company (effectively the shareholders).

At this stage, the department was leaving it to the company to suggest how to arrange these premium reductions. But the letter also made it clear that the Secretary of State was prepared to use his powers if necessary.

Sun Alliance is due to increase its motor premium rates on April 1, 12 months after its previous re-rating, and obtained the Department of Trade's approval for this increase last autumn.

There has been speculation that this increase would not be allowed, but the department would not specify whether any reductions would occur on one particular account, or would be spread over the range of scheduled rates for householders, motor and life.

The department admitted that, in theory, it would have to check that any reductions in premiums would not affect the solvency of the particular accounts. But since the amount of excess is small, and at the end of 1978 Sun Alliance had a solvency margin of about 60 per cent.—several times that required by law—such an exercise would be academic.

Mr. Geoffrey Bowler, chief general manager of Sun Alliance, said the letter and its contents were regarded as outrageous. The company still did not accept that it had broken the pay code. The letter's terms would be considered by the Board next week, he said.

The cost to the group of making the pension scheme non-contributory would be about £750,000 gross, but this payment would be fully allowable for corporation tax relief.

The premium income in the general branch in 1976 was £246m. and the cost of shareholders' dividends £29m., so the arguments are more matters of principle than practical application. Nevertheless, the share price was cut 15p to 551p yesterday on the news.

## BOC backs down on Airco bid

BY STEWART FLEMING AND JOHN WYLES

NEW YORK, Jan. 27.

BOC INTERNATIONAL bowed today to the strong opposition of the Board of Airco, its U.S. industrial gases associate, and for the time being gave up its attempt to acquire control of the U.S. company.

Instead, BOC apparently will settle for the 1.5m. shares and 49 per cent. stake in Airco which it originally sought through a tender offer which expired earlier this week.

The bitter confrontation between the two companies, which culminated in a tense six-day board meeting yesterday, stems from the fact that some 6.5m. shares were

tendered for BOC's \$43 (£24) a share bid and, as a result, the British company sought Airco's agreement to extend its offer to all stockholders.

However, this was refused last night by BOC, which stood by an agreement made on December 9 which provided only for BOC to increase its stake in Airco from 34 to 49 per cent.

Sir Leslie Smith, chairman of BOC, announced in New York this afternoon that BOC's request to modify the agreement would now be withdrawn, and that Federal Union Trust company, BOC's U.S. intermediary, would distribute payment for the 1.5m. shares pur-

chased and return the balance of the shares tendered.

He regretted that the Airco board had not allowed all the company's stockholders the opportunity to sell their shares for \$43 each "in the face of overwhelming indication from Airco stockholders that they wished to do so."

BOC was aware of its right to seek to amend its agreement with Airco with stockholder consent, said Sir Leslie, who added that he was dismayed "at the hostility evidenced by Airco's public statements."

It remains to be seen whether BOC's move halts the deteriorating relationship between the two companies.

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For latest Share Index 'phone 01-246 5026

## U.S. 'knew' of Israel's nuclear weapons'

BY DAVID BELL

WASHINGTON, Jan. 27.

THE U.S. Central Intelligence Agency concluded more than three years ago that Israel had produced nuclear weapons, according to an Agency document released yesterday. This is the first time that any U.S. agency has said publicly that Israel has nuclear capability.

The CIA document was obtained under the U.S. Freedom of Information Act by a group called the Natural Resources Defence Council, which is concerned about nuclear proliferation.

The chief interest centres on Israel. The CIA study asserts that "we believe that Israel has already produced nuclear weapons" and it goes on to support this judgment on the grounds of "Israel's acquisition of large quantities of uranium, partly by clandestine means," the "ambiguous nature of Israeli efforts in the field of uranium enrichment" and "Israel's large investment in a costly missile system designed to accommodate nuclear warheads."

The agency's report lends weight to two previous suggestions that Israel may have obtained uranium "clandestinely" both from a nuclear fuel plant in Apollonia, Pennsylvania, and from a ship carrying uranium ore, 300 tons of which disappeared from a ship bound for Europe in 1968.

Last year, the Department of Energy released documents which suggested that some of its officials also suspected that uranium might have been diverted to Israel.

The Israeli Embassy said this morning, re-iterating a position which Israel has always taken, that the CIA report was based not on facts but on supposition.

The CIA document, which was issued in censored form, noted that Israel has never tested a nuclear weapon. But it said that it is "theoretically possible for a country capable of developing a nuclear weapon to do so covertly up to the test of the first device—and a test is not absolutely necessary."

**Censored**

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## Oil could create 1m. jobs—Healey

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE U.K. economy could be run at a level of demand sufficient to produce between 500,000 and 1m. additional jobs if the improved performance and balance of payments objectives of the Government's industrial strategy is achieved.

That was the claim yesterday by Mr. Denis Healey, the Chancellor, in a speech in Glasgow, which previewed next Wednesday's meeting of the National Economic Development Council.

The NEDC meeting, to be chaired by the Prime Minister, will discuss the results of the last two years' work by nearly 40 sector working parties covering nearly a half of manufacturing industry. That has concentrated on ways of improving market share.

**Benefit**

Mr. Healey said the working parties had "come to the conclusion that it is perfectly possible to increase the productivity of their sectors sufficiently to improve the balance of payments by some £2.5bn. by 1980—quite independent of the direct benefits of the oil price."

He said that while in those sectors employment overall was unlikely to rise dramatically from such improvements in productivity "the balance of payments benefit they generate should enable the Government to run the economy at a level of demand sufficient to produce between 1m. and 1.5m. additional jobs."

"Many of these jobs will be in the service sectors—both private and public," Mr. Healey said. The Chancellor stressed the importance of the industrial strategy as part of the need to improve performance in order not to fritter away the benefits of North Sea oil.

The Government would be making its own contribution "shortly" to the debate on the use of the oil, he said.

No date has been fixed but a fairly firm statement on the alternative estimate of the benefits within the next few weeks.

Ministers are discussing this and the main drafting is being done by the Cabinet Office and Dr. Bernard Donoghue's Policy Unit in 10 Downing Street.

**Estimates**

John Elliott, Industrial Editor, writes: Mr. Healey's forecast of a £2.5bn. improvement in the balance of payments may eventually turn out to be a conservative estimate because it is based on the work of only about half the sector working parties.



Mr. Healey... firm statement soon.

It is not, therefore, a reflection of the full potential improvement in exports and imports arising from the industrial strategy.

That is because the report going to the NEDC meeting will show that only just over the working parties have done sufficient work to be able to produce export objectives in an assessable form, while even fewer have provided import substitution estimates as well.

The £2.5bn. figure also cannot be taken as a reliable estimate for even those sectors because it does not include the indirect effects of imports and exports or other factors such as changes in the country's economic growth.

**Persuade**

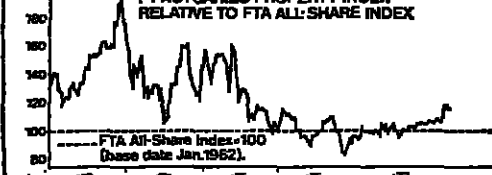
Nevertheless the sector working party reports, covering nearly half of Britain's manufacturing industry, do show that in many areas company and union representatives have agreed targets and market opportunities which taken together, would mean substantial beneficial effects on the country's economic and industrial performance.

The Government intends to persuade individual companies to act on those broad strategies. Job creation schemes Back Page.

## Schlesinger Property Shares Trust.

**Property shares**

The graph shows the performance of the property share sector relative to the Financial Times Actuaries All-Share Index over the past five years.



**A fund for capital growth**

The Schlesinger Property Shares Trust aims at capital growth and should be regarded as a long-term investment. The fund will be invested in a diversified property company shares—and up to 20% in property-related situations. The estimated gross yield on the current offer price of 29.2p is 2.16%. Distributions are made on April 6th, starting 1979.

It must be recognised that property shares are volatile. Currently we advise that investors should place no more than 10% of their investment capital in property shares, preferably through a widespread unit trust portfolio.

Remember that the price of your units and the income from them may go down as well as up.

**The Schlesinger expertise**

Schlesingers have considerable experience in managing property portfolios and companies overseas and, more recently, in the U.K. The Trident Property Fund—a Schlesinger managed investment fund—is the top performer in its field over four years. (Source: Money Management January 1978).

**Schlesinger's PIMS service**

Investors of £2,500 or more will receive the Schlesinger Personal Investment Management Service (PIMS) which includes regular investment reports and applications to meet the investment managers.

**General Information to investors**

Investors of £2,500 or more will receive the Schlesinger Personal Investment Management Service (PIMS) which includes regular investment reports and applications to meet the investment managers.

**Schlesingers—specialists in the management of private, institutional and pension funds**

To: Schlesinger Trust Managers Ltd., 140 South Street, Dorking, Surrey.

I wish to invest (minimum £500) £  
in the Schlesinger Property Shares Trust at the price ruling on receipt of my cheque.

I wish to know more about the Schlesinger Property Shares Trust  
A cheque is enclosed, made payable to Midland Bank Limited.

Schlesinger Property Shares Trust.







# Our savings and investments

## Rates of return

BY ADRIENNE GLEESON

RATES ON MOST building societies are coming down on Wednesday, and you need to jump to it if you are taking advantage of those which are not. For while three of the biggest building societies—Abbey National, Leeds Permanent and Alliance—plan to continue to "reward our loyal investors" it's only following their Association's recommendations will be reducing the return they provide on Tuesday. And, in the case of Abbey National and Leeds Permanent, they'll benefit only to the extent that they have money in those accounts societies will offer 6 per cent.

(equivalent to 8.1 per cent.), which are habitually out of line with their bigger brethren—the likes of London and Goldhawk. But the reason that they offer more is that they don't have the coverage to generate much market awareness; and if they don't have that coverage in their coffers has, of course, implications for the housing market—though the building societies are still, themselves, stoutly denying that it necessarily means a boom, and exhorted one another to continue caution in lending. But it also has implications for the gilt-edged market, for a large proportion of building society funds has gone into short-dated gilts. If they do nothing more than refrain from putting more money in, that could have the short end of the gilt-edged market looking unhappy.

The fact that the building societies have so much money in their coffers has, of course, implications for the housing market—though the building societies are still, themselves, stoutly denying that it necessarily means a boom, and exhorted one another to continue caution in lending. But it also has implications for the gilt-edged market, for a large proportion of building society funds has gone into short-dated gilts. If they do nothing more than refrain from putting more money in, that could have the short end of the gilt-edged market looking unhappy.

## Saving habits

ALTHOUGH THE existence of the welfare state has induced some young people in Britain to abandon attempts to save, consumer sentiment has shifted only marginally in favour of spending. Of those who do save, an increasing number are using building societies rather than banks.

These are some of the conclusions of a new survey by Research Associates, the Staffordshire-based research company, into the saving habits of people aged 18-35. The research was conducted among eight discussion groups (65 people), and by way of a national poll of 1,000 people throughout the country.

Life insurance companies appear to be in danger of losing business in the new commuter suburbs, the survey says, and suggests that they need to develop a substitute for the

Ways in which savings are made, analysed by age

Question: If you or your family save money, what are the most important ways in which to do it?

	Total	Men	Women	16-24	25-34	35-44	45-54	65+
Number questioned	972	465	507	171	199	154	293	154
Bank deposit	36	34	38	28	37	37	39	25
Building society	43	44	42	48	43	49	43	32
Life insurance	6	6	6	3	11	8	5	3
P.O. savings	7	5	9	6	4	5	8	15
Savings certificates	3	3	3	0	1	3	4	6
Other	12	12	13	12	9	18	12	7
Do not save/none	16	15	16	12	14	11	15	28

Source: Research Associates

least on long-term deposits, will have to be raised if banks are to maintain their share of the market—and because the competition from building societies is so great—they should consider entering the house financing market themselves.

The report notes that life insurance is the second most important aspect of family security after home purchase. However, despite a wide belief that life insurance is important,

and are of little interest.

The survey concludes that high inflation rates have cut into people's belief in the need for saving, but have not seriously eroded their conviction that it is both prudent and morally good.

*How Young People Choose To Save*, a report by Research Associates, The Radfords, Stone, Staffs. Price £135.

ARNOLD KRANSBORFF

## Bonus prospects

"THE SNOWBALL effect of sustained double-figure inflation is likely to force life insurance companies to increase premiums and to cut bonuses." This warning was given this week by Dr. Leonard Polonsky, chairman of Liberty Life—a small, recently established linked-life company that does not market the traditional with-profits policies on which bonuses are paid.

Since it is his competitors for whom this gloomy prognosis is made, the tendency is to write it off—especially as some

life companies have announced substantial increases in their bonus rates for 1977. But that would be too hasty. The forecast contains more than a grain of truth.

Dr. Polonsky's premise is that many of the longer established, traditional companies are weighed down with portfolios of older policies with very small premiums. These were adequate at outset, but because of inflation they now barely cover collecting costs.

time in the future, not because inflation is rampant, but because it is apparently being brought under control. As inflation drops into single figures, then so do investment returns for the two tend to move very much in line. Costs, though, won't fall—they'll just stabilise. A sustained general fall in interest rates—something that actuaries have experienced since the war—poses problems that their immediate predecessors did not have to face.

A life fund can arrange its investment portfolio to "immunise" its existing business against losses arising from changes in interest rates—a

This is the fourth part of our series. The Seven Financial Ages of Man. The series is written by Adrienne Gleeson, Eric Short and Helen Whitford.

## Then a soldier

Full of strange oaths,  
and bearded like the bear,  
jealous in honour,  
sudden and quick in quarrel,  
Seeking the bubble reputation,  
Even in the cannon's mouth.

THE THIRTIES are a dangerous age. Ambition probably reared its head a long, long time ago; but the thirties are the age at which ambition and reality come into abrasive contact. If the clash threatens to put you out of a job, there are certain things to be borne in mind.

The first £5,000 of any golden handshake you receive comes to you tax free—assuming, that is, that you've nothing written into your contract about a cash sum payable upon its termination: should that be the case you'll find yourself paying a lot of tax on it. The treatment of the rest depends on whether it's compensation for the time a contract has yet to run, an ex gratia payment, or a mixture of the two.

But effectively you'll be paying income tax at your marginal rate on all or most of it, subject to "top-slicing" relief which mitigates the effect of our steeply progressive tax rates on such a lump sum payment.

Should the battle of life have been literal, rather than metaphorical, then you are likely to receive the whole of your payment free of any tax at all if the payments were made because of death, injury or disability, for instance, or if you are retiring from the armed services.

UNEMPLOYMENT is, it's to be hoped, going to be a temporary phenomenon. But in the meantime unemployment benefit is payable three days after you've lost your job, and you should not neglect to claim it. The basic—£14.70 for a single man, another £10.50 for a dependant wife, and further payments for dependant children—will be supplemented by earnings-related benefit of up to £15.42 (from this month); though that's not payable during the first two weeks of unemployment, and it ceases after six

months. Do not use that golden handshake to pay off the mortgage—much better to spin it out instead. And concentrate on cutting back on your expenses, rather than boosting your income on a small scale—apart from anything else, you are likely to find out for yourself about the unpleasant realities of the poverty trap.

POSITIVE THINKING is called for under such circumstances, and it may be that your positive thinking leads you to the view that you should get up in business on your own. If so, you are going to need help, advice and information, and fortunately there is plenty of it available. Try your bank manager, your local Chamber of Commerce, or one of the Department of Industry's Small Firms' Information Centres for a start.

Probably the first decision you need to make is whether to go into business on your own (as a "sole trader"), in partner-

ship, or whether you want to set up your own company. It's easy to assume that the latter is the best solution, for purposes of tax: but it isn't necessarily so. As someone pays by a company you'll be assessed to income tax under schedule E, while as a sole trader or member of a partnership it's schedule D which applies. As the treatment of expenses, particularly, is much more rigorous under schedule E than under schedule D, it might therefore, pay you to join the ranks of the self-employed.

If so, you should start thinking about pensions from the start. Don't rely on the State scheme for under the new deal you get, in present-day terms, more than the basic—£17.50 week (and as much again for your wife if she has been paying her NI contributions). If you want a decent pension you must save towards it yourself.

Don't, however, try and do on your own. If you do you will be clobbered left, right and centre by the taxman. Instead take out a self-employed pension contract with a life company.

The attached table gives details of the benefits to be expected on various forms of policy. They are discussed more fully below, in the review of the Fundex handbook.

Pension provided 20 years hence on a single premium investment of £1,000 now, by a self-employed man of 45			
Type of policy	Annual pension	Quotations from	
Completely guaranteed	£385	Friends Provident	
With profits	£226 guaranteed £811 in bonus	Nat. Provident Institute	
Linked to building society rate	£570*	Phoenix	
Linked to units of exempt fund	£573**	Lloyd's Life	

\*Assuming an average return of 7½ per cent.

\*\*Assuming 8 per cent. per annum growth in unit values.

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If you stop subscribing to the Plan within the first four years the Inland Revenue may require you to refund to them a portion of the tax relief you may have obtained. This we do by deducting the appropriate amount from the proceeds.

The Plan also provides a guaranteed minimum return in the event of the death of the subscriber before the end of the savings term. Experience has shown us that the most popular savings term is 10 years, therefore, for persons aged 18 to 60 next birthday this guaranteed return is at least eight times the annual subscription and for those up to age 50 next birthday it is at least ten times the annual subscription.

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Surname (Mr, Mrs, Miss) \_\_\_\_\_  
First Names (in full) \_\_\_\_\_  
Address \_\_\_\_\_  
Date of Birth \_\_\_\_\_

Have you had any medical attention during the past 6 months? YES/NO. If YES, please give details. \_\_\_\_\_

I declare that I am in good health and agree that this application shall be the basis of the contract.

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

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**MEMORIAL SERVICE**

A Thanksgiving Service for the life and work of Tony Bedford was held on 26th January at St. Lawrence Jewry, next Guildhall. The Rev. Basil Watson officiated. The Prayers were led by Canon J. J. Cresswell and the Lesson was read by Mr. Godfrey Chandler. Among those present were—

Mrs. Diana Bedford (Widow)  
Mrs. Eileen Bedford (Mother)  
Mr. & Mrs. Michael Beggs (Sister and Brother-in-law)  
Mr. & Mrs. John Margeson  
Mr. & Mrs. Garth Bearman

Mr. Luke Meinertzhagen and the Partners of Cazenove & Co. together with their wives and many members and past members of the firm.

Lord Farnham, Lord Montagu, Sir Richard Rasch Bt. Sir Robert Clark, Sir Anthony Hornby, Mr. C. Akers, Mr. & Mrs. P. C. Barnett, Mr. C. H. Black, Mr. J. W. Boeckmann, Mr. G. Bowler, Mr. D. Brandt, Mr. J. B. Brooks, Mr. J. E. Bury, Mr. R. Cazzlet, Mr. J. Chiene, Mr. & Mrs. E. P. Colquhoun, Mrs. Jean Cornack, Mr. W. M. Cunningham, Mr. M. Delmar-Morgan, Mr. M. C. Deras, Mr. B. L. Edwards, Mr. & Mrs. J. Edwards, Mr. M. A. Evans, Mr. M. Foreman, Mr. S. Francis, Mr. V. Furness, Mr. J. Gaze, Mr. & Mrs. I. Gilroy, Mr. P. G. Glossop, Mr. G. F. B. Grant, Mr. W. J. Griffin, Mr. J. L. Guinness, Mr. A. D. Hirst-Brown, Mr. C. J. Jordan, Mr. J. Kennedy, Mr. R. Kinkaid-Weekes, Mr. C. J. Kirman, Mr. R. H. Lawson, Mr. D. H. LeRoy-Lewis, Mr. & Mrs. J. G. A. Lyon, Mr. A. A. McNair, Mr. R. Marshall, Mr. C. J. Messer, The Hon. M. J. O'Brien, Mr. G. D. B. Pearce, Mr. D. R. Peppitt, Mr. L. Perry, Mr. R. B. Petre, Mr. & Mrs. J. B. Pope & Family, Mr. C. R. Purnell, Mr. E. E. Ray, Mr. J. W. Robertson, Mr. & Mrs. L. Rolfe, Mr. R. Scott-Brown, Mr. G. Searle, Mr. J. C. Smallwood, Mr. H. Spens, Mr. J. D. Webster, Mr. M. Weiman, and many personal and business friends.

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## Pensions expertise

THE article at the top (right) highlights the need for the self-employed to make their own pension provision and explains why a pensions contract with a life company is the most tax efficient method of doing this. The decision to invest for retirement through such a contract is straightforward enough, but having taken it the problems really start. For the self-employed investor has to decide which type of contract he wants, and with which life company.

Such an investor has to decide on the merits of single premium and annual premium investment, how badly he wants the ultimate pension to be guaranteed, and what risks he is prepared to take to maximise the investment return to combat inflation. Properly done, providing for a pension is a continuous financial planning exercise, and even the expert will need help.

Therefore all members of the self-employed, and their professional advisers, will find the latest handbook from Fundex—The Handbook of Self-Employed Pensions—a valuable aid in this planning exercise. The book itself is divided into three parts. The first explains the need for making provision for his pension, the tax reliefs available, and the forms in which benefits can be taken.

The next section explains in great detail the basic types of contract available, their investment implications, and the security or otherwise provided by the contract and the life company. Basically, there are four types of contract—one providing a completely guaranteed pension, one providing a partially guaranteed pension to which is added bonuses, one which builds up a fund at a rate linked to building society mortgage rates, and one in which investment is made into units of an underlying fund. Since this can be an equity, property, fixed-interest, cash or mixed fund, the variations on the last type can approach infinity.

The final section lists in brief detail the companies offering these contracts with a complete description of each contract on the market, listed by its type. The self-employed investor will, however, get indigestion if he tries to absorb everything at one go. My advice to him is to read the sections describing the various contracts and decide which type or types he requires. Then look at the various contracts available.

\*The handbook can be obtained from Funder Limited, Greytone Place, Feather Lane, London EC4A 1NP, price £8.95 (including package and postage).



# Finance and the family Insurance

## Mortgage plus annuity

BY OUR LEGAL STAFF

I understand there are schemes whereby those getting on in years can mortgage their house and obtain an income therefrom. I have not been able to discover a company which handles this sort of business. Can you advise me?

We assume you have no dependents and it is therefore a question of getting the maximum benefit in terms of the cash you can raise on your house. You should try the Save and Prosper Group in St. Helen's Place, London EC2. You might mention the difficulties of getting this kind of mortgage plus annuity when interest rates have been fluctuating so wildly.

If you fail to get a package deal on a mortgage plus annuity, we suggest that you approach some of the major building societies with a view to getting a loan on your house?

A number consider this type of mortgage very good business. You yourself could invest part of the mortgage in the form of an annuity on which you only pay tax on what is considered to be the interest content.

### Not protected tenants

Based on information in your column I have amended my stand. I am of rent agreement and let the bulk of a house to a group of five completely separate individuals. They have, and always have had, complete freedom to choose how they would use the seven main rooms allotted to them in five separate agreements, of which I am sending you a copy. The Rent Officer persists that they are protected tenants. What do you advise?

We think that there is a reasonably strong case for your contention that the lettings are not within the protection of the Rent Act 1977—see Goodrich v. Pomeroy [1977] AC 65. You should therefore apply to the County Court if you wish to dispute the Rent Officer's jurisdiction; for which purpose you should consult a Solicitor.

### Setting losses against gains

During the current financial year, I have made some capital gains in equities, some losses carried forward from previous years on investments and unit trusts, and potential losses on gifts bought within the year.

(a) Can I set off the full losses in investment and unit trusts against my gains? (b) If I sell the gifts within the year, can I set off these losses also? The answer to both questions is yes:

(a) Losses on disposals of qualifying investment trust shares, etc., are treated no differently from losses on other stocks and shares; it is only gains which are subject to special treatment.

(b) Losses on short-term transactions in gifts are, subject to restrictions, allowable, and there is nothing in your letter to suggest that you are contemplating the kinds of transactions which are caught by these restrictions.

### Non-use of right of way

According to our deeds, another farmer and I have a right of way along a track on our boundary, which neither of us uses. A third farmer owns the track and has now ceased to use it and among the obstructions has put a great pile of earth against a gate at one end. Although we do not at present use the track, the right to use it could be valuable and I gather that where the right is conveyed by deed, non-use will not cancel it. Need we, therefore, do anything about the gate?

It is correct that a right of way conferred by a grant contained in a deed will not be lost by mere lack of use. However, it might become abandoned if the use is prolonged and there are overt acts wholly incompatible with use. It is therefore desirable for you and the other dominant owner to take some action. You should require the removal of the ob-

### Legacy from Australia

As the beneficiary under the will of my father (an Australian resident), a capital payment has been remitted to me (a U.K. resident) from Australia to the U.K. Australian estate duties having been paid by the Australian executor. My tax inspector proposes to assess this sum as if it were investment income to apply the full rates of income tax and the investment charge. Can this assessment be correct? The payment which you have received is simply a pecuniary legacy (without interest), then it is not taxable as income. However, if you have an absolute interest in the residue of your father's estate, then it (at least) of the payment is probably taxable under section 427 of the Income and

Corporation Taxes Act, 1970: the assessment will be under case IV of schedule D, subject to double taxation relief. Unfortunately, you have given us so little precise data that this reply cannot be as helpful as we should wish. If you would like us to look at the position in detail for you, one point which we shall need to know is whether you are domiciled in one of the states of Australia, or whether you regard yourself as domiciled in England and Wales (or elsewhere in the U.K.); we take that your father died domiciled in one of the states of Australia.

### Share and cash deal

I was the holder of 400 ordinary shares in Charrington Industrial Holdings, which cost me £312. Some months ago these were taken over by Coalite and I received 200 Coalite shares and £150 in cash. How much capital gains tax will be due, and how will I value the Coalite shares if and when I sell them? The cost of the Charrington Industrial Holdings shares is split between the cash (A) and the Coalite shares (B) in proportion to the value of A and B on October 17, which was the first day on which the new Coalite shares were dealt in on the Stock Exchange. The value of A of Coalite shares on October 17 was 55p (calculated on the quarter-up basis for CGT), so the ratio is 75:55, which is about 57.7 per cent/42.3 per cent.

The 200 Coalite shares are therefore deemed to have cost you £90 (i.e. 42.3 per cent of £212) and you have a chargeable gain of £25 in respect of the cash (i.e. £150 minus 57.7 per cent of £212).

### Development land tax

On January 1, 1976, I bought a registered agricultural holding without a dwelling house. I subsequently obtained permission for an "agricultural house" and building commenced on May 1, 1977. Could you please let me know what commitment, if any, I am likely to incur under the Development Land Tax and whether notification is necessary?

It would appear that the commencement of building should have been notified to the Board of Inland Revenue within 30 days after May 1, 1977. There are provisions in the Development Land Tax Act 1976 which may enable you to obtain an assessment that no tax is payable (see Section 18), but this has to be adjudicated by the Board.

### Adverse possession

The owner of a house near mine let me have a key so that I could keep an eye on it. For the last three years I have been unable to trace him. Meantime, I have let the property to my daughter for a small rent to cover expenses. Can I obtain a possessory title to the property? You certainly cannot obtain a possessory title until at least 12 years have elapsed, and during that period you would be obliged to account for the rent (and possibly for a full rack rent). There is a further problem in ascertaining when (if at all) possession became adverse, so that the 12-year period could begin. You should consult a solicitor once a period of 12 years in which there might have been adverse possession has run.

### Entitlement to profits

Last June I received a letter from my managing director confirming that my salary as sales manager of a Glasgow firm would from July 1 be £5,000 a year plus ten per cent of the company's pre-tax profits. I have no contract of employment. Should I decide to leave the company before the end of the company's financial year, or during the next year, should I be entitled to claim my profit for full time worked? You state that you have no contract of employment, but it does appear that your employment and remuneration are regulated by the letter of June 1977 to which you make reference. You do not tell us whether the terms of employment set

out in that letter were specifically accepted by you, but in any event if you have been remunerated from July 1977 to date as therein set out, there would be an implication in law that the terms of that letter were binding on both yourself and your employers. That being the case, you are contractually entitled to your share in the company's pre-tax profits as part of your emoluments for your services—and as such you would be entitled to demand payment of a proportionate part of the annual entitlement should you leave at any stage throughout the year.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

out in that letter were specifically accepted by you, but in any event if you have been remunerated from July 1977 to date as therein set out, there would be an implication in law that the terms of that letter were binding on both yourself and your employers. That being the case, you are contractually entitled to your share in the company's pre-tax profits as part of your emoluments for your services—and as such you would be entitled to demand payment of a proportionate part of the annual entitlement should you leave at any stage throughout the year.

### Rent payment date

Ever since I became a householder I have paid my rates in equal instalments, due June 30 and December 31. Last year the council demanded the second payment by November 30. Are they empowered thus to advance the date?

The General Rate Act 1967 empowers the rating authority to determine the rate and the dates for payment of the rate. While instalments are normally provided for, there is nothing in law to restrain the authority from determining that the whole rate shall be payable at the beginning of the rating year—save only that provision must be made for payment by instalments in the case of a dwellinghouse which you occupy as a residence. In that case you can serve a notice on the rating authority under Section 50 and the 10th Schedule of that Act requiring the rate to be spread over instalments which may be up to 10 in number. Your rate demand notice usually refers to that provision and informs you how to serve a notice.

While I am familiar with the general position in relation to the acceptance by a husband of liability for his wife's debts, could you explain the position in relation to her liability as an underwriting member of Lloyd's?

We understand your question to be whether a husband could be made liable for debts incurred by his wife on the assumption that she is an underwriting member of Lloyd's and incurs the debts in that capacity. The agency of a wife does not extend to debts incurred by her in her trade or profession (unless her husband holds her out as being his agent in that capacity), and accordingly a husband would not be liable for the debts of his wife incurred by her as a Lloyd's underwriter.

### Husband and wife's debts

While I am familiar with the general position in relation to the acceptance by a husband of liability for his wife's debts, could you explain the position in relation to her liability as an underwriting member of Lloyd's? We understand your question to be whether a husband could be made liable for debts incurred by his wife on the assumption that she is an underwriting member of Lloyd's and incurs the debts in that capacity. The agency of a wife does not extend to debts incurred by her in her trade or profession (unless her husband holds her out as being his agent in that capacity), and accordingly a husband would not be liable for the debts of his wife incurred by her as a Lloyd's underwriter.

### Rights of a legatee

The recipient of a legacy under a will does not doubt that she will receive it, but does she have the right to demand from the executor a list of assets and liabilities of the estate, either before or after their distribution? In the circumstances which you describe we think that a court would not order the personal representatives to render a full estate account if the beneficiary is to get in full all that she can possibly be entitled to, the court is unlikely to burden the estate with the expense of the provision of information which cannot affect the position of the beneficiary in question.

### Joint annuity for spouses

My wife and I are considering a return to the U.K. on retirement. To enhance our income, I understand that I can buy a joint annuity, payable until the death of the survivor, and only a small amount of tax would be payable. Is this correct? Do annuity rates differ between one company and another? Do you consider my proposal sensible, and have you any further suggestions? You are correct as regards the tax treatment of annuities. At the time that you get a quotation for an annuity from an insurance company they will quote if you ask the split between what is deemed to be the capital content (that is, simple repayment of your own capital) and the interest content. It is only the interest content that is taxed but it is taxed at the investment income rate.

Annuity rates do vary substantially because insurance companies tend to treat the annuity market like a tap which they turn on and off to get the right balance of funds for their own internal tax purposes. It is highly sensitive to movements in interest rates and you would be wise to get a broker to investigate the market for you. The advantage of joint life and last survivor annuities is that there is no capital transfer tax payable on the first death of husband and wife.

It is possible to get annuities that reduce to two-thirds on the first death. In this way the same capital will produce a higher initial joint income.

## Cover for borrowers in trouble

BY JOHN PHILIP

FEW HOUSE purchasers who use building society funds by way of repayment mortgages can be unaware of the need to cover those repayments by life assurance—to ensure that in the event of untimely death the loan remains over their families' heads. And the number who fail to buy such cover—normally a special form of decreasing term assurance—must be few indeed. But how many mortgagors ever think of insuring their inability to meet the building society's monthly demand through injury or illness, and having thought of this, how many actually take positive action?

The monthly mortgage demand is but one of a number of regular commitments that the average citizen has, whether man or woman—and these commitments are equally applicable to the many women who have to earn not only for themselves but for their dependents. Unarguably almost all of us have the need for some measure of cover against our inability to continue earning. We should each make a proper assessment both of essential annual expenditure and the difficulties we would encounter in providing funds for that expenditure, both in the short, medium and long term in the event of loss of earning capacity.

Of course, the state insurance scheme paying injury, sickness or unemployment benefit must come into each individual's calculations, but there can be few who can afford not to top up state benefit by the purchase of private disability cover, whether this be by way of an annually renewable contract or

a more expensive but more efficacious non-cancellable permanent health insurance.

In the short to medium term, membership of a staff sick pay scheme, coupled with his contract of employment rights, may give the employee an adequate financial umbrella though for longer term protection in most cases individual cover will have to be arranged. And because of his individual status the self-employed person must of necessity buy his own personal cover.

For virtually all of us, some degree of group protection is however available if we are buying goods—cars, caravans, domestic appliances and so on—with the help of funds provided by the finance house. Personal credit, hire purchase protection insurance, call it what you like, is available in connection with many such loans, perhaps even the majority.

Either the finance house or the retailer (if the organisation is large enough) arranges a master policy with insurers for the protection of such borrowers who want cover. Usually details of the cover are provided for each borrower in a booklet and sometimes but not always a separate short certificate is issued. In these respects the handling of insurance is not dissimilar from the methods adopted by insurers who provide holiday travel cover through tour operators.

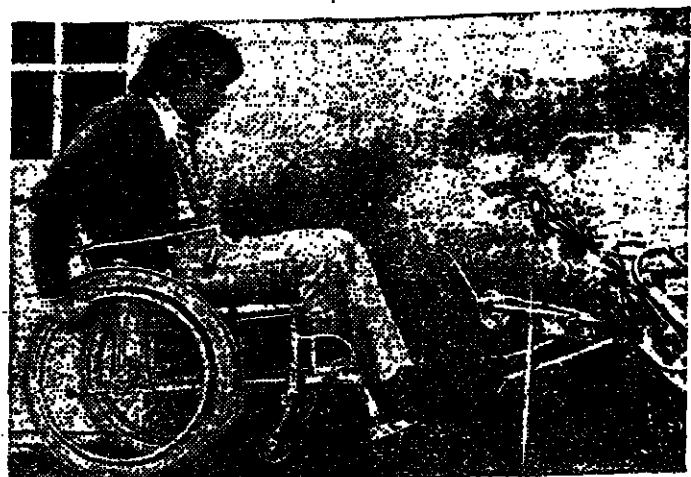
One major difference is that with most holiday insurance claims the policyholder actually receives payment from insurers under the various credit insurance schemes insurers pay on behalf of the borrower, direct

to the finance house or retailer concerned so while the borrower has the protection of the policy, and immunity from demands for payment, he never touches any of the cash.

Depending on choice of finance house or retailer—and therefore of insurers issuing the master policy—cover varies. But protection is always provided for death, accidental injury and illness and often unemployment cover is included as well. Each individual's period of insurance starts from the date on which his loan is agreed

arrangements are made. On death within the period of insurance the outstanding debt is cancelled while for disablement, as each monthly instalment falls due, it is paid by insurers—provided of course the claim is within the terms and conditions of the master policy and the individual borrower properly substantiates his claim by appropriate documentary evidence.

Most of these schemes have far fewer restrictive conditions and exclusions than are to be found in the normal group of



individual policies sold outside the hire purchase credit market. For example, if I buy an individual accident and sickness disablement cover I must give some brief details of my present state of health and sign a brief health declaration. A few credit protection schemes require such a health declaration but the majority are content to rely on the exclusion of claims

for death or disablement physical defects suffered by the borrower prior to the arrangement of the loan purchase of the insurance. While disablement cover is afforded for the whole term where unemployment cover is provided, normally this is for a limited period, perhaps as little as six months, such are insurers' continuing doubts about the economic situation. There are also special exclusions applicable to employment cover, for example seasonal unemployment is a normal exclusion.

As with most disablement insurance, these credit protection schemes impose on the borrower a waiting period in respect of disablement claims so as to preclude insurers paying for a mass of short-period absences from work. For accident and sickness claims the waiting period is usually a fortnight, though these periods vary from scheme to scheme.

Premium is usually payable at the outset, and the cost of insurance is therefore added to the rest of the cost of the loan. So the borrower pays for his insurance in his monthly instalments and when he is off work obtains a waiver of premium to the extent that those instalments are met by insurers. Admittedly cover is not cheap—it can be approaching 10 per cent on the amount of the loan for a two-year insurance; this price reflects both the wide cover provided and the considerable administrative overheads; but as it cannot be obtained individually it is well worth considering.

### Taxation

THIS IS THE season when all good men and true find it necessary to tell the Chancellor what he should put into his budget. Those who are good, true and also sanguine to the point of simple-mindedness will suggest that taxes are not only too high, they are too complicated.

This latter suggestion is seldom found acceptable, but let us not get downhearted. After all, each of the separate drops of water that fell on the proverbial stone fell, presumably, that all its forcefulness had achieved verifiably.

The rules for the assessment of bank interest are a part of the tax legislation which more than most others lead to taxpayers' incomprehension and irritation. The amounts of tax at stake are usually insignificant. The rules for assessing the income are antiquated: conservation of all that is best in our heritage is splendid, but in Case III of Schedule D really is outstanding natural beauty or even of historic or scientific interest?

We can always hope for something simpler, but should also

be realistic enough to accept the necessity for understanding the present system. Banks pay interest to depositors without deducting tax at source. The interest, therefore, needs to be assessed to tax, in the hands of the recipient at the basic rate (or at an appropriate higher rate if the basic band has already been exhausted). It also constitutes unearned income for the purpose of the investment income surcharge.

For the fiscal year in which a taxpayer first receives interest, the assessment is on the actual interest received. Assuming that the bank deposit account is kept open, the second fiscal year will normally be assessed similarly, on the basis of interest received in that second year. From then on, each year's assessment is normally based on the interest received in the preceding fiscal year.

When the account is closed, the assessment for the year concerned reverts to "actual"—the interest received in that year. The law requires that the assessment for the penultimate year be increased to "actual" if that be greater than the

figure already assessed on a preceding year basis.

Merely reciting the rules shows how complicated it is to keep track of the figures for assessment. It also demands an answer whether there is any reason for preserving these complexities.

But we must not be too hasty in putting that question—there is more complexity to come. The normal rules at commencement call for the assessments for both the second and third years to be on the same figure, namely the interest received in the second year. But the taxpayer is given the option of having the assessment for the third year changed to "actual"—so that it is not the second year's interest but the third which is doubly assessed.

And the whole basis of the opening years' assessments, moving from "actual" to "preceding year," is grounded on the theory that the latter basis should apply as soon as there is a complete year's income to form the basis of assessment. Normally interest is received during only a part of the first fiscal year, and only in the

second does the source of income exist throughout. However, if a deposit account is opened on April 6, the first fiscal year will be a complete year. It will therefore be the year's income doubly assessed, subject to the taxpayer's option to ask that that first year's income be assessed only once and that double assessment apply to the second.

Would a change in all of this really cause a serious loss of revenue or result in an unacceptable increase in administrative costs and workload? The individual taxpayer's difficulties are great enough; understanding and trying to keep track. Consider the trustee or executor trying to distribute bank interest assessments are normally raised on him, and he distributes the income net. Except that he does not. What he distributes is the year's gross reduced by tax based on last year's income. The beneficiary always questions why the tax certificate and the cheque fail to agree, and the trustee wonders whether he ought perhaps to have held back some cash in case a subsequent

closure of the bank account should cause an upward revision of the assessment.

Finally no discussion of bank interest would be complete without a reference to Section 17 Taxes Management Act 1970. Banks are required under this section to notify the Revenue of interest paid amounting to £15 or more, and the Revenue has a very efficient cross referencing system to check whether that amount has been correctly shown in the recipient's Return of Income.

It is now absolutely standard practice for the Inspector of Taxes to demand a certificate of full disclosure from any taxpayer who has been found to have failed—this certificate being a categorical statement by the taxpayer that, at the second attempt, he has correctly disclosed all his income. Penalties may not be sought against the taxpayer at that stage, but heaven help him if a second omission is found in his return after he has signed such a certificate.

DAVID WAINMAN

### Chess

"WE CAN'T expect the world to get too excited at the sight of us in the middle of a grandmaster tournament instead of at the bottom," said one of the British players as he noted the sotto voce reporting of the Hastings congress compared with the daily emotional outbursts from Belgrade.

But, objectively speaking, this was a good Hastings from the British viewpoint, if the leading grandmasters still finished in a bunch at the top, this reflected their extra-class and greater experience.

Full results were Dzindzichashvili 10, Petrosian (USSR), and Sax (Hungary) 9, Hort (Czechoslovakia) 9, Mestel (England) 8, Tarjan (U.S.) 8, Sveshnikov (USSR) 7, Speelman (England) 7, Nunn (England) 7, and Shamkovich (U.S.) 6. The tournament was won by the Englishman, who took the title of world champion, the five young British players, boasting only three IM titles between them, almost all made respectable scores, and the exception, Botterill, revived an ancient tradition that the British champion comes last at Hastings.

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# Travel

Divorce may solve some problems, but can create a lot more particularly if there are children of the marriage to be looked after. Holidays are one of the major problems for people in this situation. Here three single parents relate their experiences of coping alone with their children on holiday.

## Meeting all needs

BY JANE DAVIDSON

IT'S LANGOUR that I long for in a holiday; fantasies of breakfast laid out on chequered tablecloths, and eaten at leisure on balconies overlooking scented gardens.

You see, ideally, after I'd punched that perfect croissant and sipped that coffee as though it was Chateau Lafite '45, I'd slip into a light floating dress and drift effortlessly through an art gallery. I'd arrive at Jimmy's far, where this man is impossibly waiting me, and after lunch we'd swim like loving dolphins in the blue lagoony water. Then, as the boat sank slowly in the west...

Contrast this foolishness with my son's idea of the perfect holiday: sandy beach, rock pools, small boats, all near a small, simple village. Despite its low population density this village boasts numerous shops (selling crisps, Coke, sweets and FOOT) a cinema, sophisticated sports centre and sound-proof disco. Many children: preferably boys, and all soccer players, to traffic so that it's safe to rove the of the Single Parent—though he or she comes in handy as a money carrier. Absolutely no sightseeing.

My tongue is only partly in my cheek. Single parents come in both genders, but I most often identify with the mother: he is likely to be unhappy and one weary. This is why the holiday assumes such importance: a golden oasis in time when there is no need to think of sensible thoughts. The children, on the other hand, have pressures to escape from. Can all needs be met?

Having only one child, I've

always tried to slot in with other children. When Sandy was six we went to Normandy with a friend and her two daughters. All three children were friends and close in age. The venue was a small family hotel close to the beach. What we had not bargained for was that Sandy would fall in love with the older sister, and when prevented from sharing a bedroom with her flung himself in hopeless grief on to the double bed and I was forced to share.

Another year I tried the Club Med in Corsica. This time with three children, all boys. We chose a village catering specifically for children, but they all refused to attend the mini-club (great liberator of parents) because the monitresses were so bossy. No matter: in that motorless environment they prowled safely, swam, smoked, sailed—did everything in the brochure. However, their parents queued and fought physically to get their children on the right lists for these sports. We felt, finally, we could have done with less of the excellent and prolific food and more old-fashioned gentleness.

And, dear God, the noise! We bought our freedom dearly at the Club Med. I haven't tried it myself, but I'm told that Burtins offers the same type of parental irresponsibility at a fraction of the costs. All conceivable sports supervised by someone else.

Camping is another solution—

though not one I took naturally to. The first time I naively took my own tent, and without the help of other campers it would not be erect to this day. The next year I put myself in the hands of Motents, which means I packed only personal things and drove directly to their camp site in Brittany where superb, spacious tents were already erected. The cooking facilities were all there, plugged into gas cylinders. Beds, tables, crockery—all provided. In both cases, gang life came to my rescue. Sandy disappeared early each morning. I think other people must have fed him, because I seldom did. And I had a complete rest.

Sandy is now 14, and our problems have changed. They are—do with divergent interests: not physical safety. But I wish I'd known about the following solutions when he was very young: Broughty Ferry Children's Hotel near Bournemouth not only caters for babies' physical needs, but allows weary parents to have nights off. The staff have an electronic baby-sitting keyboard that lights up at your baby's tiniest snuffle.

No crying goes unheeded. Friends have waxed lyrical about farmhouses, where their children watched entranced while cows were milked, eggs collected and horses groomed. But the best farmhouses are inland, and a car is a must if

you want to get to the beach. Holidays can drag the single parent into a resolutely world. The antidote for feeling spare is to go somewhere where you can plunge into an activity—however ineptly. Holiday Fellowship run centres all over the country that cater for sketching, drama, music, archaeology—you name it.

Speaking of economics, there are many one-parent families for whom money is the unspeakable problem, they're probably the families most in need of a break. Gingerbread and the National Council for One Parent Families have compiled lists of cheap holidays and tour operators who offer discounts. They can also advise you on how to obtain financial help towards the holiday from your local authority.

So, can parent and child have an equally good time? I think the mother sinks her own yearnings in favour of her children's needs, and doubtless this is right. But occasionally the old memories stir. I remember a meal alone in a restaurant in Pompeii. The waiter who just happened to look like Michelangelo's David, handed me the bill and said gravely: "And now I think we should make love." Well, maybe I had... Pull yourself together woman, and order up a brace of Fanta and a plate of pommes frites.



## Awkward moments

BY PETER MICHAELS

THE DIVORCING father who keeps his young children is not yet a familiar folk figure. Consequently, when I found myself in that position with my daughter, then eight, some years ago, there were no handy models to copy nor good sources of practical advice.

My immediate impulse was to adopt a middle-through attitude in the hope that most problems would vanish if long enough ignored, but I soon found this unworkable. Most inconvenient were the constant constraints: the household must continue to function, matters had to be taken for granted, and suddenly inviolable timetables needed mending; discretion had to be observed.

My daughter was really the least of my troubles, for she was helpful and flexible: it was the world, in all its obstreperous complexity, which bore down upon both of us. And one of its clamorous demands concerned holidays, those nightmare intervals which had to be fitted between school calendars, the exigencies of my job, the foibles of my former wife, the altered landscape of my circle, private and public motivations, all of which loomed malevolently over supposedly carefree days.

I dreaded holidays more than the everyday routine which, being routine, was more manageable. My first solution was classically regressive. Having no relatives with convenient country residences, I took my daughter and hotted to the Sussex village where my best friends have a house. This, of course, was just a way of shuffling off responsibility: the friends represented safety and continuity, my daughter got a taste of rural life and I elicited sympathy and solace in a quasi-familiar setting. It went off splendidly, but it was much too easy.

The next experiment was to recruit women friends. The idea consisted of putting up a front of carefully measured liberation, so as to accustom my daughter to what was presumably to be her father's prospective lifestyle, characterised by emancipation, if perhaps somewhat discontinuous relationships with kind persons who sensed the needs of little girls as keenly as

they did those of their daddies. A couple of experiments along these lines proved inconclusive. There was a good deal of awkwardness about the status of accompanying ladies, in arrangements relating to rooms in hotels and their precise occupancy, what to do to please whom, when and where, and so on. Heavy expenses incurred more out of guilt than conviction, involving my daughter in what in any case she would rather not do (like sit over endless meals or cover scenic routes in the car) did not help either, any more than did the reported comments of my former wife on what she described as "escapades". I concluded that, if old friends were too that, new lovers were too lapsid. My daughter, indeed, hardly protested, but I was full of misgivings and decided that what she really needed was the company of other children.

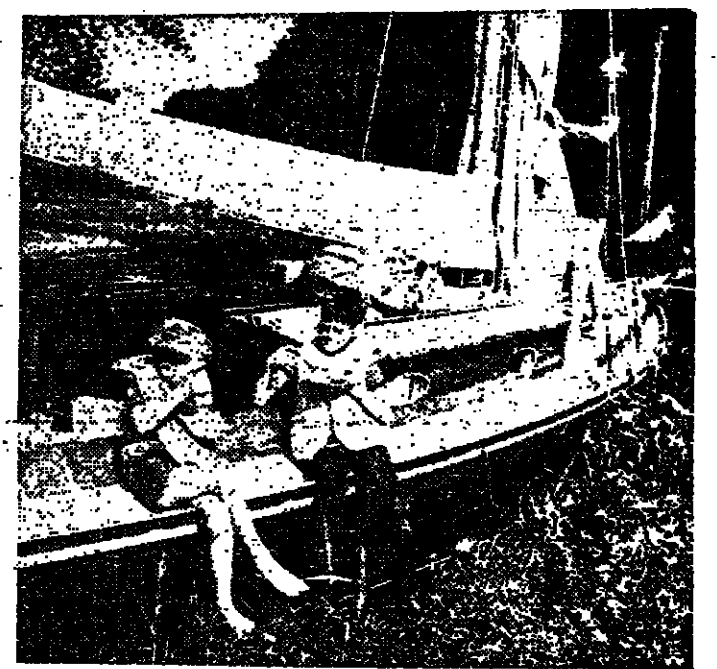
A banal idea, quite clearly, which set me to wondering whether the sailing would not have been altogether smoother had I been left with two children instead of one, that being apparently the sort of demented illumination which comes to single fathers in the small hours. Pursuing this line of logic, however, it occurred to me that a promising way out of the holiday dilemma would be to find a spot where my daughter could go her own way, most of the time, while I went mine, some of the time.

Easier imagined than located, amongst the dreadfully stereotyped institutions to which we are heir. A family resort, with its parade of legitimate and dreary togetherness, was plainly not the answer. A place where everybody allegedly socialised chummily with everybody else sounded like Purgatory to me. Pot luck in pleasant corners I had known under different circumstances was clearly risky, therefore hit on a complex scheme: I would first negotiate with my wife a fortnight of the

vacations she was legally entitled to spend with our daughter against some appetising trade-off. I would then select one of the Club Med's villages catering more especially to children, book in my daughter and myself while also inviting a young lady so to anchor matters all around and not leave too much to chance. The rest, in my opinion, at the time, would work out locally, even though the Club accommodates people in pairs, so that I would have to share my bungalow with my daughter while our companion roomed with a stranger, representing a slight asymmetry.

Within a day of our arrival, I indeed found a very pleasant little boy as a playmate for my daughter, who henceforth appeared early in the morning and was hardly seen again, except at mealtimes, and then fleetingly. She said little and appeared happy. Both children surfaced occasionally, looking browner and browner, with trifling requests for ice-cream, small accomplishments they wanted to show off in the sea and other charming diversions. The rooming discrepancy went unobserved but seemed to matter less and less. Time passed. Relaxation took over. Some ten days later, and in a quite casual way, my daughter introduced me to the little boy's mother. She was not, as I had too readily assumed, the wife of the Englishman with whom I had often seen the boy, nor was that man his father. She was a widow, come to the same Club with her son and two friends, for the same reasons as I had done: the holiday dilemma of the single parent.

For over three years now, that little boy's mother and I have been married, and our two children, who so much appreciated each other's company on an Italian beach, are finding the experience of sharing a floor in our town house even more rewarding.



## Boat lore

MY THREE daughters descended in their normal avenging horde style on to the decks of the good ship Flickering Light for their holiday on the Norfolk Broads. Dad was left ashore to unload a car stuffed with its normal load of books, teddy bears and bubble bath—all the essentials for a week on the water—while the offspring did battle over who was to have which cabin. Even usually I dragged them off the boat again to help with the unloading and, in a relatively short time, we were ready for the off.

Flickering Light, and the Broads, had been chosen deliberately. The Broads themselves present no navigation problems and indeed after a day or two each of the children found driving relatively simple (the kids were 12, ten and nine years old).

The boat came with three self-contained cabins to give each girl privacy, and the central driving cabin converted into a master bedroom for me at night. There was a good-sized galley, a fridge, and a television (extra payments) which gave fuzzy but acceptable reception.

I've found over the years that activity holidays go down best with the children, although as their approach teenage years their ideas of activity tend to differ sharply. Oddly enough, after a couple of days, the boat alone was not sufficiently active enough. The first enthusiasm was for bird spotting and of waving at other craft. The mood gradually swung later to a desire for mooring in place where they were going to be able to see and do things.

At times this led to conflict with me. There I was looking for a bit of Broads peace and quiet, eager to moor out in the wilds and relax, while they thought that all very boring and wanted much more to head for the big cities and resort villages. Fortunately there was something for all of us and we gradually sorted out our divergent views.

Our biggest adventures came with mooring. A 35 foot boat is something of a handful for three little girls and after a few days we perfected a system which involved my nudging the vessel as close to the shore as possible, cutting the engine, leaping onto

the bank, and trying her up, as it were, to the accompaniment of screams from kids who clearly felt they were going to be left floating on the Broads for ever. With Dad stranded onshore, at times the mooring manoeuvre involved a measure of manhandling which might make the exercise difficult for a lightly built woman. However, if you choose a mooring with other boats around there always seems to be other helpful hands. Occupants of nearby boats also help with evening light-sitting while Dad is out sampling the night life.

Meals and shopping proved to be great fun, with everyone joining in. There was less enthusiasm for general cleaning up, but then that is par for the course.

The Broads can get a little busy at times, but the near collisions with other craft, and the evening hunt for moorings which are not too far from the shops for morning supplies, all added to the adventure. Apart from the villages there are larger centres such as Norwich, Lowestoft and Great Yarmouth available. Outside these centres be prepared for a disappointment as far as Norfolk pubs are concerned. All that good East Anglian ale keeps itself a long way from the water and the Broads pubs appear to boast about but plastic brew, in plastic bars. Shopping, however, turned up some pleasant surprises. We are remarkably well and I adjusted quite quickly to solitary splendour.

Throughout the trip the children wore life jackets and I was careful to brief them on what to do if it were me that fell overboard ("cut the engine, I don't want you little lunatics driving over me").

It was a holiday I would thoroughly recommend for a week but, with one adult and a group of kids, not much more. A boat can be a claustrophobic place, particularly if bad weather strikes. Boats are available via Blakes NR12 8DH. Flickering Light costs between £105 and £234 a week according to season. It holds five. Or try Hoscote, Sunway House, Lowestoft, Suffolk NR32 3LT.

JOHN BECKLEY

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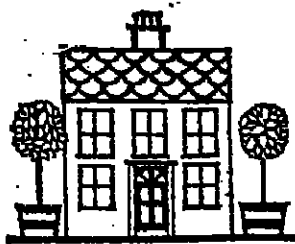
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28th January, 1978.



## How to spend it

## Home sweet home



If you're thinking of doing up a house, a room, or even just the odd wall or sofa, then here are a few addresses that might provide you with some of the right sort of help....



**COLOUR COUNSELLORS** was started several years ago by Virginia Stourton and Shirley Liger and they aim, by means of their eight very cleverly colour-coordinated boxes, to take the headache and the footwork out of doing up a house. Though their headquarters are at 187, New King's Road, London, SW6, (photographed left), there are Colour Counsellors all over the country who are ready to go to anybody's house or office with their special boxes.

The boxes are basically organised on a colour basis — each box has a complete range of carpets, fabrics and wall-coverings, all of which are colour-related so that selection is made exceptionally easy. Certainly the range of patterns and designs used is delightful, and the boxes contain samples from both well-known and little-known ranges. They are increasingly developing their own exclusive designs and these, too, of course, are incorporated in the boxes.

You can buy from a Colour Counsellor as little or as much as you like. If you eventually choose to buy through them, then there may be a small travel charge and the design and advice is quite free. You pay no more for the materials than you would through any shop. If you don't buy through them, they charge a counselling fee of about £10, depending upon the distances involved.

You can also ask Colour Counsellors to supervise the making of curtains, upholstery, carpet laying or even lighting. There are now about 24 counsellors up and down the country and if you want the name of the counsellor nearest to you, you should write to their headquarters at 187, New King's Road.

**SANDERSON'S COLLECTION** of Triad wallpapers and fabrics has been around for some time now and it was one of the first groups of designs from a major manufacturer which helped the home-decorator to use different, but linking patterns in the same room.

Sanderison's have now tried to help the amateur home-decorator even further by bringing out their own range of carpeting. The range is designed to be used with the Triad collection of papers and fabrics and all of the 21 plain colours link with a selection of the Triad designs. The carpeting is in a plain twist silk, made from 80 per cent. wool, 20 per cent. nylon and it costs about £12.50 per square metre. The carpets have just gone into most leading carpet stores (John Lewis, Selfridges, and of course Sanderison's own showroom at 52, Berners Street, London, W1) but if you want a local stockist write to the Press Officer at Sanderison's main address.

Launched at the same time as the carpets is a new Triad range — to my mind even better, being much more sophisticated than the last one. I particularly like their "Daisy" design in the navy and white colour combination. Naturally all the carpets co-ordinate with this collection, too. You can see the new papers (and, as with the old Triad collection, there are plenty of plain papers and fabrics for those who prefer a less cluttered or patterned look) at Sanderison stockists now.

**READERS WHO** live in Scotland, particularly in the Montrose and surrounding area, might like to know about an enterprising and useful service started by the young wife of a Scottish stockbroker. Elizabeth Whitson has felt infuriated that every time she wanted new curtains or carpets she had to go as far as Edinburgh, some 90 miles away, to get a reasonable choice and as far as London for some more exclusive designs. So she decided to start up a business of her own, bringing to the area the sort of fabrics, colours and patterns that she knew would be welcomed.

The company, called Two's Company, is now, after three years, such a success that her husband, Angus, has given up his legal practice and joined his wife full-time in the company. They started by offering a large choice of fabrics, wall-coverings, carpets, and curtains and built up a name for good design and good quality. Then they realised that there were so many back-up services that were needed so they began to offer them, too. They bought an old-established furniture company and that gave them the skills and capacity to supply furniture, cabinet-making, upholstery, carpet fitting, loose covers, curtains and bedspreads.

They offer all the exclusive names like Elizabeth Eaton, Osborne & Little, Designers Guild, Warner, as well as ranges like those of Sanderison, Boussett, Sakers, Coles and so on.

Because of the workshops they now own they are well placed to carry out special orders and commissions and this is something they are doing more and more. For instance they have made up a table for a curling enthusiast who wanted a display of displaying the badges he'd won — they made him a glass-top table with a new display underneath the glass. They've also just made three hundred pairs of flameproof curtains for the banks on an oil rig.

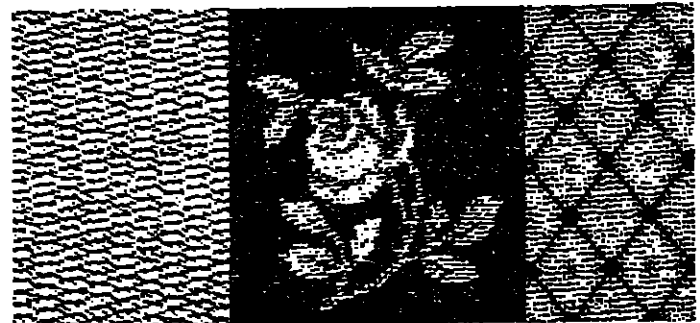
As you can see, they can turn their hands to anything. Angus Whitson is developing the company's range of services which is flourishing. Two's Company is to be found at 25 North Road, Montrose, Angus DD10 5LJ.

**CARPETS** have nowadays become so expensive that one almost needs a second mortgage just to pay for them.

Affa Carpets, an exceedingly enterprising carpet firm at 81, Baker Street, London, W1, find to their amazement that as carpeting becomes more expensive so are people less inclined to settle for anything but the best. Realising they are in for a lot of money, whichever way they look at it, they usually decide to go for quality and a design that really pleases them.

For anybody wanting something a little bit special Affa is a very good place to visit. To begin with they have a range of patterned carpets which are a revelation to those of us who tend to think that patterned carpets are unthinkable. They have a selection so charming that I could well imagine building an entire room round them.

Centre is a Hugh McKay carpet which looks almost like hand-made tapestry with a charming rose dotted about from time to



time. The nicest colourway I think is the dark green with a cream and pale green rose and leaf but there are five other regular colourways and it can be ordered in any colourway of the customer's choice for an extra charge. The price is £18.25 per linear yard.

Affa offers a large selection of patterned carpets which can be dyed or coloured to individual specification at no extra charge.

Harlequin on the far right is

also £18.25 per linear yard and similarly can be coloured to suit any customer, though there are five attractive regular colourways.

Finally, if you really can't afford to go for a very good quality expensive carpet my advice would be to go to the other extreme and buy something like the inexpensive rice (yes, rice) carpeting from China. Sketched above left, it is tough, is a lovely honey colour and costs £3.25 per square yard.

I WISH I'd known about Enriqueta when I last moved house. Her idea is so simple, but so eminently useful, that it must surely be the answer to most people's house furnishing problems.

Enriqueta runs a complete interior decorating service from her small fleet of vans. Each van is equipped with an amazing selection of samples, from carpets and floor-coverings through to wallpapers, curtain and upholstery fabrics. The beauty of the system is that all these samples, many of which are normally only to be found in some of our smaller and more exclusive interior designers' shops, are all brought to your door, either by Enriqueta herself or by one of her small team of interior decorators.

Enriqueta charges £10 for her van to visit you and you may then browse, at your leisure and in the comfort of your own home, through this vast collection of samples. It is possible to match wallpaper against fabric, carpet against curtain and so on, all without tramping from one shop to another. Most of Enriqueta's samples are from the more exclusive imported ranges though, of course, she also offers people like Sanderson, Coles and Designers Guild.

Besides ordering the paper, fabric or carpet through Enriqueta (who will see the whole order through) she can also arrange to have the curtains, loose-covers or bedheads made, the carpets laid and so on. She doesn't mind at all if you just want to buy a roll of wallpaper for one room but on the other hand she's just as happy to supervise the decoration of an entire house, including the building work. She prides herself on the speed with which her workrooms can deliver.

It is a little difficult to be precise about costs — in general

## by Lucia van der Post



she charges about 5 per cent. of the total cost if she supervises a complete scheme. To supervise a whole house she would have to

negotiate a fee, depending upon the amount of work and travel involved. Contact Enriqueta at Devon-

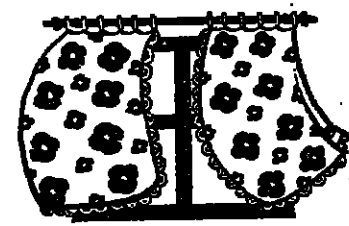
shire Works, Barley Mow Farm, Chiswick, London, W4 3LJ, operates mainly in the London and outer London areas.

**ANYBODY** who has ever moved house will know that it is getting all the small things done, like new curtains, that causes the biggest headache. Of course, we all know we ought to make our own but it is just when we are moving house that we have neither the clear space nor the time to do it. For the rich the problem can be simply solved — go to an interior decorator or a large store and have all the

worms taken off your hands at a price, though, you will probably be horrified at how long it takes to get attention in any of our larger stores and at how long you will have to wait for the finished articles.

Providing a free, reliable, and prompt curtain-making service has been one of the ideas which has helped to make a newish chain of shops, Herald, the kind of success that has astonished even their own holding company, Combined English Stores.

There are 19 Herald shops in



all. They are mainly clustered round the South and West with the newest and glossiest at 108, High Street, Maidenhead, and the oldest and smallest and only London branch at 412, Chiswick High Road, Chiswick, London, W4.

Though Herald shops sell quite a few other things besides curtain material (bed-linen, linen gift items round Christmas-time, duvets, blankets, tablecloths, cushions) it is obviously the free curtain-making service that draws the customers. Some 80 per cent. of their turn-

over comes from curtain-making, as large as it might be in of shops where only small sam-

ple and designed in as identical a way as possible, given the varied sites. All have honey-coloured floor tiles, all share the same logo and all have the entire range of fabrics on offer made up into full width curtains so that customers can see exactly how they hang.

The good news about the system is that it is easy to see what you're getting. All fabrics on show are kept in stock so there are no delays. Service is impeccable, curtains take no longer than three weeks and are beautifully-made with a large range of possible headings (and, incidentally, the free making-up service applies to both lined and unlined curtains) and prices are very competitive. Customers are encouraged to browse and everything is clearly priced and labelled. The drawback is that because every fabric offered has to be fully-hung the choice isn't

## Have a heart

**ANYBODY LUCKY** enough either to be on the receiving or the giving end of a St. Valentine's day present this year will have a bumper selection to choose from. Whether you think a St. Valentine's day present should be chic or sentimental, precious or inexpensive, witty or banal, there should be something somewhere to please.

Shops all report that there is a great demand for Valentine's presents though I do sometimes wonder where it comes from. A spot-check round the office reveals that though many of us have received or given

cards, not one person has ever given a present! I'm all for present-giving on so many occasions as possible, so I think that on the whole I'm in favour of encouraging sentimental thoughts for February 14.

For those who are hard-up but feel their loved one could do with cheering up there are masses of inexpensive ideas. Like tiny red heart tin boxes at 60p each or the gold coloured heart-shaped candle from Parrots of 56 Fulham Road, London SW3 at 25p.

Heart's of 196 Tottenham Court Road, London W1 has a large collection of heart-



shaped ideas, from loving cards which could be stamped with their Lips rubber stamp (95p, you need to buy your own ink pad) to a large and luscious double patchwork bedspread applied with hearts at £76 (to order only).

Sylvia's of 25 Beauchamp Place, London SW3 has a selection of inexpensive but cheerful ideas. There is a 21 inch red plastic heart which you wear as a pendant and if you have the confidence to carry off such a gimmick it can be induced to

"pulse" by flicking a switch which activates the 8-hour battery inside the heart. £3.30 (p+p 20p). Sylvia also sells some inexpensive but jolly pendants, all enamelled with pictures on the "love" is... theme, £1.50 (p+p 10p).

Also very inexpensive are the series of heart-shaped scented sachets produced by Meadow Herbs. A large size, lace-edged sachet is £1.50, the medium size is 90p, while the smaller net-backed ones are 70p (20p p+p). They are available from Meadow Herbs at 47 Mareson Street, London SW1, but if you don't live within shopping distance they have an excellent leaflet from which you can order by post. Please send a 7p stamped addressed envelope.



A round transparent box full of (p+p £1.10) for a box of fifty tiny red heart-shaped soaps, just small soaps, to use every day, but the thing to keep at the ready for special occasions, in the guest room or cloakroom. Exclusive to Parrots, of 56, Much too extravagant, at £2.99 Fulham Road, London, SW3.

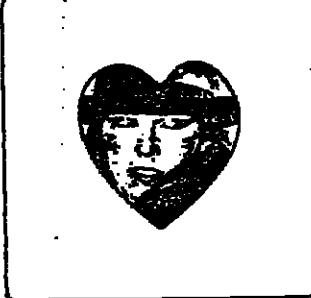
Very pretty hand-painted papier-mache boxes, decorated in a variety of ways, are to be found at Robert Jackson of 171 Piccadilly, London W1. The boxes come from Kashmir; no two are identically painted. The size is 3 in. by 2 1/2 in. by 1 1/2 in. and they cost £3.94 each (p and p 35p).



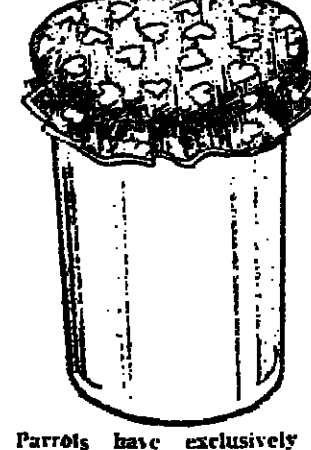
Also exclusive to Parrots are these tiny little heart-shaped frames. On the right is a simulated ivory frame measuring 3 in. by 3 in. for £6.65. On the left the frame, also measur-



Small, witty... and useful. A pink candle with a red heart and a nice message... "For An Old Flame." This is just one of the many ideas to be found at Parrots of 56 Fulham Road, London SW3. 65p (p and p 15p).



ing 3 in. by 3 in., is made from simulated ebony and is surrounded with a glittering diamond-edge which gives it a lovely shimmering look. £8.50 (p and p 20p).



Parrots have exclusively a number of small items made from a red fabric bedecked with little white hearts. You can buy a boxful of eight bouquet garol, all enclosed in the red and white fabric for £1.00 (p+p 10p) or a box of four miniature sacks of assorted herbs for £2.20 (p and p 20p). This little waterproof lined jar cover is 55p (p and p 10p).



Anybody who is either so besotted that he wishes to express this by buying something truly valuable or so rich that only the best will do should try to visit the new Grays Antique Market at 58 Davies Street, London W1. From February 7 to 14 there will be a special exhibition of St. Valentine's present suggestions: all of them, obviously, will be antiques (that is, older than 50 years) and all will be for sale.

I can't guarantee that by the time this article appears all the pieces photographed here will still be on sale, as they are all one-off, unique pieces. However, they do give you some idea of the flavour of the exhibition.

The heart pendant on the chain is embel-

lished with a garnet and a zircon and costs £15 from Peter Lee Lander's stall. The heart-shaped picture frame is £45, from Ruth Stanley's silver box dates back to 1901 and is £45. The heart-shaped brooch is £12.50 from Clare and Ingeborg. Scottish heart brooch dates back to 1895 and is £95 from Lyn Holmes. The set of six 1900's comes from the Abacus stall, £25.00. The box is £48 from Ruth Stanley, while the mirror is £35 from Lyn Holmes.

Perfume bottles are becoming collected so they are no longer as cheap as used to be. This one, from Ruth Stanley's, is £58.00. Finally the gold locket with turn is £135 and comes from Lyn Holmes' stall.

Drawings by Robin Co.







## The Arts



Ken Campbell

## The Alchemist

BY MICHAEL COVENEY

Anyone in London who has not yet seen the RSC's brilliant production of Jonson's masterpiece should, of course, be queuing in the Aldwych for returns; but theatre-goers in the Midlands have now been admirably served by Richard Eyre's production at the Nottingham Playhouse. That prince of pranksters, Ken Campbell, leads an alert company in the part of Subtle, described in the programme as a confidence-trickster rather than an alchemist.

That falls with both the cuts in the text and the spirit of Mr. Campbell's irrepressible performance; this Subtle is ruled more by fun than by avarice and he meets the protestations of an unbelieving Surly (Bill Stewart) with quiet contentment for his reluctance to be gulled. You feel that to be gulled is to live. And, of course, Surly missed out on the sensual widow because, unlike even the householder Love-wit, he has no time for japes. Those whom Hazlitt dubbed "the verbal critics" might have fun railing against the substitution of "magnet" for "loadstone," preferring the sound of silence to laughter. And Dame Pliant melts not "like a myro-

bolane" but like something else equally frisky. But, as in Mr. Eyre's Bartholomew Fair two years ago, there is a fine and appropriate relish for language displayed throughout. Arthur Kohn matches the RSC's Paul Brooke in the gargantuan lasciviousness of Epitaph Mammom's lust, all tongue and thighs. At one point he achieves the nearest to hilarious on-stage orgasm in

## Theatre

my experience, promising Doll that exquisite feast—le grand bouffe indeed, as he collapses in an ecstatic heap at a touch of her pink fan.

There is, too, a joyous physical response to the text: when Dapper (Jack Galloway, currently familiar to TV audiences as Farinae in *The Major of Mesterbrücke*) is bidden to take his leave of the Queen of Fairy, Anita Dobson lifts her skirt to that he may the more easily "kiss her departing part"; and when Mammom leaves, crest-fallen and defeated, Subtle and

Face are indeed as light as balls, and bound and hit their heads against the roof for joy, for all the world like two demented pogo sticks. Nicholas le Prevost is a careful Face and, like Ian McKellen at the RSC, makes much of the fact that Jeremy the butler is yet another carefully observed role. Pamela Howard's design is grey, Dickensian, with well-placed doors and splendid costumes. At curtain up, there is an immediate sense of temporary occupation among the cobwebbed dust-covers and displaced portraits. The true greatness of the RSC production lies in the breathtaking virtuosity of McKellen and John Woodvine in establishing a fully-rounded gallery of rogues and in the desperate willingness of the gullible to be gulled. I do not expect any new production to match that aspect of the RSC's work for some time, nor, indeed, its beautifully clear delineation of the falling out between the trio of Doll, Face and Subtle. But Nottingham can proudly boast a truly original Subtle, a marvellous Mammom and, in the delightful shape of Anita Dobson, a first-class Doll.

## A midsummer night's dream

BY MAX LOPPERT

The survey of Britten's operas on which the Welsh National Opera is embarked was taken a stage further on Tuesday with the first performance, at the Theatre Cloyd, Mold, of a new *Midsummer night's dream*. The pleasures of the evening were many, and began (and ended) in the foyer of this admirably civilised and well-appointed theatre complex—how many of the regional theatres, not to speak of regional cities, keep a restaurant open so late after the show? More important, such virtues were consolidated in the auditorium. With its clear sightlines and 330 seats this is an exceptionally friendly, commodious receptacle for smaller-sized operas in general and Britten's opera in particular—the work, calculated with minute dexterity for small houses, always sounds in danger of



Geraint Evans

## Opera

evaporating at Covent Garden. Although the Mold acoustics are not especially glowing, or glamorous, the balance between stage and orchestra was right, and all the finest threads—boys' voices, vibraphone, harpsichord, recorder—told in the textures. (Once again, Britten's theatrical acumen seemed extraordinary.)

It is enhanced in an ambitious and for the most part brilliantly inventive production by Ian Watt-Smith, in Alexander McPherson's luminous sets and brightly coloured (but carefully assorted and detailed) costumes, and in Robert Orubo's unfailingly imaginative lighting. Fears enraptured by the producer's rather lushfulatun pronouncements in the January number of *Musica* and *Musicians* can be set at rest. For his vision of the opera as a fantasy of early Renaissance magic "influences," controlled by the hemispherical half-moon that frames the set and constructed as if drawn from J. S. Bach's *Brandenburg No. 2*, Mr. Watt-Smith is precisely realised, and finds a strong response in the music. Beneath the enchantment of the opera's surface lies one of the composer's fullest statements about three unconscious and subconscious states—sleep, dreams, death, inner transformation and disturbance—into which all his finest works have delved. In this production, magical, sudden thrives of side and back light, the fervent of Renaissance "world order" envelope and relate all the social levels in the forest, and this seems marvellously true to the dark, fantastic spirits that play out and are then reconciled within Britten's *Dream*.

Something, though, has been lost. Perhaps it is the peculiar Englishness of a work in which the words of Britten, Shakespeare, Purcell, the masque and the lute-song are all combined. These fancies in their rich, courtly apparel do not look English. The workmen's play is given not in Theseus' palace, but on a solidly assembled stage in the forest on which, at the end, the faeries and Puck enact a well-dribbled farewell procession—neatly done, it misses the sense of words fusing, human and supernatural, so beautifully achieved in the John Piper sets at the same point.

But the strengths of the production compensate for this. Its imagination, its visual fascination, and, happily married to

these, its quick, unexaggerated treatment of all the various confusions, alterations, and emotional upsets. My own feeling that Britten's music is least successful in its characterisation of the hard-headed men, and my own aversion to the rather spiky and spiteful scolding of points in the musical parodies that accompany their play, were much mollified on this occasion by the clarity and unfurled deftness with which these scenes were played.

With the exception of Geraint Evans' Bottom, still incomparably ebullient, and James Bowsman's Oberon, still vivid despite the familiar bumpy, clouded vocal form of recent times, it is a "home" cast. No exceptionally strong ingredient, but plenty of likely ensemble acting and singing, marks the performance so far. Although Rifa Cullis is a soprano of unusual evenness and pleasing lightness throughout her range, she has still to learn how to engage with the comic possibilities of Titania's romance. Except for an underpowered Hermia, the lovers sing out fully enough, but are also a bit rather lacking in character. This will surely come when words are more consistently audible. The beautiful Helena of Suzanne Murphy was the worst offender. Companies seem to have given up the search for an acrobatic Puck of the right adolescent age who could also play the comedy and, happily married to

Wayne Sleep and Julian Litt, both too old, have provided winning alternatives, and added winning alternatives, and emotional upsets. My own feeling that Britten's music is least successful in its characterisation of the hard-headed men, and my own aversion to the rather spiky and spiteful scolding of points in the musical parodies that accompany their play, were much mollified on this occasion by the clarity and unfurled deftness with which these scenes were played.

As art director Miss Drew will be running the largest specialist department in the Arts Council, with overall responsibility for the exhibition programme, for the council's large collection of work by contemporary artists, for the grants and subsidies made by the council and for art films and photography.

## Mad about the boy

BY ANTHONY CURTIS

Radio programmes about anyone who died within the past 30 years or so inevitably suffer from a certain constraint even in our permissive age when no holds are barred in either private conversation or in print. Take a character like Agate, the dramatic critic about whom I compiled a programme recently: he was a homosexual; you would expect such a programme to go into the question of whether his homosexuality shaped his attitude to plays and performances. Well, the programme did up to a point, but not in sufficient depth. The trouble is that in compiling such a programme you take a lot of trouble to record the recollections of people who were close to your subject, whose voices the listener expects to hear, but they are the people least able to be brutally, objectively frank about him. It is not a question of any conscious attempt at concealment but of a certain tone compounded of admiration and anecdote that takes over and somehow dominates the feature and unless you are careful turns what was meant to be a "critical portrait" (whatever that is) into a series of tributes, an extended obituary.

A playwright who takes a historical character within living memory as the subject of a play using a combination of his own theatrical skills, imagination and the facts—this is now becoming rather a fashionable form in the theatre—has a freedom that the compiler of a straight programme portrait might well envy. Thus in *Cries from Case-*

ment as his *Bones are Brought* to Dublin, broadcast on Radio 3 four years ago, David Rudkin left us in no doubt about Case's sexual inclinations and at the same time able to indulge the piquant fancy of an interview between Casement and Joan Bakewell.

These reflections are prompted not just by my own limited experience; they are confirmed by listening to other compilers and presenters grappling with a similar problem. The difficulty in *Private Road* (Radio 3, January 21) about the Belfast novelist Forrest Reid by Brian Taylor although admittedly this programme was a shortened repeat, Forrest Reid is a first-rate subject for a literary feature. He wrote an exquisite prose but was his road just a little too private

been disappointed. What the programme did do admirably well was to re-create the image of Reid through the memories of his friends and to remind us of the titles of some of his most haunting books. We heard Russell Burlingham, his biographer, and others speaking with great conviction of the enduring nature of his gifts. Perhaps we may have the opportunity of assessing these soon by hearing one of his novels read as a *Book at Bedtime*.

A similar sense of outrage as that produced to-day in the popular mind by the thought of the sexual love of a grown man for a child was aroused in the 18th century by the thought of suicide in the cause of unrequited love. Goethe's Werther, that unlucky Jim of German romanticism, was the literary model for such suicide and the prolonged amorous agony which drove him to this desperate remedy was transmitted in *The Passion of Young Werther*, translated and abridged by Suzanne Plautner for World Drama (Radio 3, January 22), directed by Martin Esslin. The epistolary novel adapts naturally to radio because it is so thrifty on the use of different voices. Here it all depended on Gabriel Woolf as the eponymous hero. He was well matched by Rosalind Shanks as his beloved Charlotte, unfortunately betrothed, and in the course of the story married to someone else. Werther's decline from the serenity and joy of the opening when he first makes her acquaintance to the abyssal despair of the ending was traced phase by phase indelibly by these two and other trusty radio performers: a temperature chart of £4.00, which has an interesting chapter on Reid, would have the danger zone.

## Radio

for him to qualify as a major writer? As Henry Reed wrote in *The Novel since 1939*: "It is undeniable that Mr. Reid can successfully treat only one subject: little boys. Anyone over sixteen seems beyond his scope; so that he is a writer far too little read." Since those words were written in 1946 we have learned to call the relationship celebrated by Reid's novels paedophilia but anyone who looked to this programme for a discussion of paedophilia and literature, as for instance was offered by the psychiatrist Morris Fraser in his book *The Death of Narcissus* (Secker and Warburg, £4.00), which has an interesting chapter on Reid, would have the danger zone.

## Theatres this week

GLASGOW CITIZENS—Summit Conference. Stimulating political comedy. Reviewed Monday.  
OLD VIC—Hamlet. The Prospector. Reviewed Monday.  
JACOBI as good as ever. Reviewed Tuesday/Wednesday.  
ROUND HOUSE—Les Burgraves. Eccentric production of Victor Hugo's melodrama doesn't help it. Reviewed Tuesday/Wednesday.  
ALMOST FREE—The Irish Rebel Lesson. Good one-act play about minorities, by Wolf Mankowitz. Reviewed Wednesday.  
ROYAL COURT—Laughter! Peter Barnes examines the laughter content of Ivan the Terrible and Auschwitz. Reviewed Wednesday/Thursday.  
L.C.A. Voice. Dull feminist spin-off from Kenneth's Children. Reviewed Wednesday/Thursday.  
HAYMARKET—Waters of the Moon. Ingrid Bergman, Wendy Hiller bring glamour to a sub-Chekhov drama. Reviewed Friday final editions.

## ... and next

On Monday, Quentin Crisp opens in a one-man show at the Duke of York's. Tuesday, David Rabe's play *Sticks and Bones* is at the New End Theatre, Hampstead, and Danny Abse's *Gone in January* at the Young Vic. Wednesday, A Day For Every opens at the Open Space, and on Thursday a new production of Wilde's *An Ideal Husband* starts at Greenwich.

## Saleroom

## Feldman buys Royal drawers

BY ANTONY THORNCROFT

Marty Feldman, the comedy actor, paid £180 at Bonhams yesterday for a pair of Queen Victoria's drawers. The Queen used to pass them on to servants, and they frequently appear at auction complete with the royal cypher. All told a sale of Stevenage, and other collectors items, made £7,202.

Another good price was the £180 from the Royal Naval Museum Portsmouth for a chamber pot. It is decorated with portraits of General Sir Robert Napier and Theodore, the King of Abyssinia, plus the legend, "Hand it over to me dear." The pot price was the £210 for a St. George's Medal, the winner of the Derby in 1931. At Sotheby's English furniture and oriental rugs and carpets totalled £68,481. A William IV rosewood dining, or tea, table sold for £3,500, well above target, and a Queen Anne walnut table realised £3,700. At Sotheby's Belgrade English prints brought in £25,344, with a top price of £700 for a collection of views of Switzerland.

## Gala night at Coliseum

A solo ballet choreographed by Sir Frederick Ashton for Anthony Dawkins, and the use of a drop curtain designed by Picasso for the Diaghilev Ballet, are the two most distinctive features of a Gala Performance in aid of the English National Opera and Sadler's Wells Benevolent Fund, to be held at the Coliseum on March 21. In the evening, which is mainly devoted to opera, there will be Rita Hunter singing Quisla Regia from Turandot; Josephine Barstow with the deepwalking scene from Verdi's *Macbeth*; and Norman Bailey and Elizabeth Connell with another extract from the same opera; and a performance of Vaughan Williams's rarely performed *Serenade* to Music, with sixteen individual soloists, plus much more.

## Mobil Concert Season

Royal Naval College Chapel, Greenwich

Tuesday 7th February 1978

All tickets sold

Greenwich Entertainment Service, Box Office Tel: 01-854 5250

## Collect Stamps A Superb Souvenir

2nd June 1978 is the 25th ANNIVERSARY of the CORONATION of H.M. QUEEN ELIZABETH II

This great Royal Occasion is being commemorated, with special postage stamps, by Great Britain herself and a number of other Commonwealth countries.

Over the years we have built up a fine reputation (of which we feel justly proud) for supplying sets of stamps, issued to mark important events, in very special, individually numbered, Presentation Packs—in themselves treasured collectors' items. In every case these packs have proved to be superb souvenirs of great Royal Occasions.

To mark the 25th Anniversary of the Coronation we are preparing three special Presentation Packs which we have every reason to expect will prove to be the best of all.

## Presentation Pack B

The Cathedrals Issue.

Four territories (The Grenadines of St. Vincent, Montserrat, St. Vincent and the Grenadines, and St. Vincent and the Grenadines) have issued a set of 4 stamps and a Souvenir Sheet based on the theme of Her Majesty as 'Defender of the Faith'. Each of the 16 stamps involved depicts, most beautifully, a different Cathedral of the British Isles. We have had a separate very special Presentation Pack designed to house these magnificent stamps and Souvenir Sheets, and our price will be between £12 and £15 (dependent upon prevailing exchange rates).

## THE DE-LUXE PACK Presentation Pack C

All British Commonwealth Issues

Great Britain, Jersey, Isle of Man, Anguilla, Antigua, Australia, Bahamas, Barbados, Bermuda, Botswana, Brunei, Canada, Cook Islands, Cyprus, Dominica, Gibraltar, Grenada, Hong Kong, Kenya, New Zealand, Niue, Norfolk Islands, Papua New Guinea, Peruvian Islands, Pitcairn Island, St. Lucia, Seychelles, Sierra Leone, Tonga, Turks & Caicos, Vanuatu.

We cannot give any estimation as to the likely cost of this Pack but our price will be based on face value or cost plus 25%.

Judging by past experience it seems inevitable that several of these stamps will be printed in insufficient quantity to satisfy postal and collector demand—consequently complete sets will quickly command a premium and be much sought after.

For this reason it is of great importance that we should know urgently how many sets to order from each territory.

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Belize	Gibraltar	South Georgia
B. Antarctic Territory	Mauritius	Swaziland
B. Virgin Islands	New Hebrides	Tristan Da Cunha
Cayman Islands	Norvelles Hebrides	Western Samoa
Christmas Island	St. Christopher-Nevis-Anguilla	
Falkland Islands		

(Other Crown Agents territories may decide to join in but this seems unlikely)

The Post Offices of each of these territories are issuing two strips of 3 stamps, printed in special commemorative sheetlets. In each case the centre stamps depict a charming portrait of Her Majesty, while those at the left show one of the Queen's heraldic beasts and those at the right a creature indigenous to the territory concerned. Between the strips is an illustrated 'gutter' which includes details of the designs depicted.

Our price for each of these packs will be based on face value plus 25%—probably between £40 and £45. (We cannot at this stage be more precise in view of fluctuating exchange rates and the possibility of other territories joining up.)

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We cannot give any estimation as to the likely cost of this Pack but our price will be based on face value or cost plus 25%.

In the event of our being unable to obtain sufficient quantities of any of the stamps we shall supply packs containing as many as possible—at proportionately lower prices.

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## OVERSEAS NEWS

## Zambians face austerity following tough budget

BY MICHAEL HOLMAN

LUSAKA, Jan. 27.

IN THE toughest budget since Zambia's independence in 1964, Mr. John Mwanakatwe, the Finance Minister, today drastically reduced Government subsidies, slashed recurrent and capital expenditure, increased taxes on petrol, beer, spirits, cigarettes and other items, and froze the level of Government employment. He also took measures to tighten import controls and reduce residents' remittances overseas.

The budget is an act of considerable political courage by President Kaunda and his Government, who face presidential and general elections later this year.

Although Dr. Kaunda has been preparing the electorate for the budget since an emergency address on the economy in Parliament last October, subsequently underlined by frequent belt-tightening appeals, the measures will be unpopular.

But observers here believe that they are necessary to avert the country's economic slide into a deflationary and dwindling overseas confidence.

In an effort to further improve conditions for external investment, the Minister announced that unremitted dividends re-

invested in Zambia "will be considered as foreign for future remittance purposes."

Although the recommendations of the International Monetary Fund team which visited Zambia last November are confidential, observers here believe that this package will go far towards meeting the IMF terms for assistance.

The Minister estimated the 1977 budget deficit at £102m. (1975: £168m., 1976: £143m.), which had been financed by short-term central bank borrowings. "A resort which inevitably has serious implications on the economy," he said, will be £64m. For the second year running there will be no government revenue at all from minerals.

Sharp deterioration in the price of copper, which provides over 90 per cent of exports has led to successive balance of payments deficits—£297m. in 1976, and a provisional £160m. last year.

The Minister warned that foreign exchange reserves are down to "minimum operation levels." In addition to foreign borrowing, the deficits have been "financed" by the accumulation of arrears on foreign pay-

ments, "a situation causing grave concern," the Minister declared.

The budget's impact on Zambia will be profound. Reductions in subsidies means a 21.6 per cent increase in the price of maize meal, the country's staple diet, and a 28 per cent rise in fertilisers, leading inevitably to higher food prices.

As the Minister announced his austerity measures, MPs whistled and gasped. Mr. Mwanakatwe told the House "with regret" that capital expenditure of 1977 had to be lower than 1976's allocation of £133m.—a drop which in real terms will be greater, since the inflation rate last year was 20 per cent.

Criticising the rapid growth in recurrent expenditure from £313m. in 1974 to £484m. last year, the Minister warned that Government revenue had not matched the increase and thus reduced the allocation to £444m. He hinted at possible cuts in education and health services.

"Constitutional and statutory expenditure," which is not subject to Parliamentary debate, is 8 per cent, up on 1977, at £188m. It includes defence spending as well as debt servicing payments and pensions.

David Owen, in Malta for talks with Patriotic Front leaders—are urging the Africans to give the conference a chance and not press for further action in the U.N.

External Affairs Commissioner of Nigeria, which holds the council presidency this month, indicated in-day that his Government will wait and see.

But at a Press conference here, he also accused the British mission of distributing incomplete information on a statement about Rhodesia made by Dr. Owen two days ago.

The missing section, he said, was the Foreign Secretary's reported remark that Britain would not frustrate any attempt to obtain a Rhodesia settlement.

African members here have been saying privately this is an encouragement to Mr. Ian Smith to go ahead with internal arrangements, excluding the Patriotic Front.

While the debate on the South African question, which began last night, continued today, it was still unclear whether this will extend next week into another go-round on Rhodesia, despite the Malta conference which then will be taking place.

Britain's chief delegate, Mr. Ivor Richard, and the chief delegate of the U.S., Mr. Andrew Young—who will be joining the U.K. Foreign Secretary, Mr.

proposed the traditional motion of no confidence in the regime. But the most bitter confrontation is likely to be between Mr. Jimmy Kruger, the Minister of Police, and Mrs. Helen Suzman, Parliament's longest-serving liberal and sole woman MP, in the wake of the death in detention of the black activist, Mr. Steve Biko.

In his opening address Dr. Diederichs referred to the infiltration of South Africa by trained terrorists, and warned of the likelihood of further urban terrorism. He admitted that "interference in our domestic affairs" now came not only from Communist sources, but also from those countries of the West that have traditionally been counted our friends.

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sacrifices, he said. But he also declared that "an awareness of the need for renewal" was present in the country, and was evident in the Government plans.

In spite of promises by the new leader of the official opposition, Mr. Colin Eglin, of the Progressive Federal Party, to concentrate on the job of opposing government policy, and to attack the government on fundamental issues, the legislative programme proposed by Mr. John Vorster, the Prime Minister, is a foregone conclusion. But debate within Parliament will be lively and vicious in the former parliament when the Centrist United Party was still the official opposition.

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## Western powers in new talks on Namibia

By Our Own Correspondent

UNITED NATIONS, Jan. 27

BRITAIN, France, the United States, West Germany and Canada confirmed here today that the foreign ministers of these five Western members of the United Nations Security Council will meet in New York on February 11 and 12 to discuss the future of Namibia (South-West Africa).

Mr. P. Botha, the South African Foreign Minister, and Mr. Sam Nujoma, President of the South West Africa People's Organisation, have been invited to join them and are believed to have accepted, although the Western announcement spoke only of talks "with the interested parties."

In advance of the ministerial meetings, representatives of the five nations who have been seeking a Namibia settlement in private discussions with the South Africans and SWAPO for almost a year, will also meet in New York on February 9 and 10.

They are expected to be joined by Mr. Brand Fourie of the South African Foreign Ministry and also have talks with representatives of SWAPO.

It will be the first time ministers other than Mr. Botha and Mr. John Vorster, the South African Prime Minister, have met on the question of Namibia.

## Angola rebels recruit U.K. mercenaries

By Martin Dickson

A GROUP of British mercenaries has been recruited for service in Angola with Dr. Holden Roberto's rebel FNL movement and is planning to leave for Africa tomorrow, according to reports reaching the British Government.

In an attempt to head this off, the Foreign Office yesterday exposed the plan, condemned such activities and warned those concerned that the Government could be in no way responsible for the fate of anyone foolish enough to become involved.

The Foreign Office would not say how it had received its information. It could give no details of the scale of recruitment or by what route the mercenaries intended to enter Angola.

The FNL, backed by Zaïre, was defeated in the Angolan civil war of 1976 but has kept up sporadic guerrilla warfare in the north of the country since then. There is no indication whether the recruiting drive is in preparation for a more substantial offensive.

The Angolan Government of Dr. Agostinho Neto faces much stronger opposition in the south of the country, where Dr. Jonas Savimbi's Unita movement has been active in considerable tracts of land.

A substantial number of British mercenaries served with the FNL during the civil war and those captured by the Angolan Government were put on trial. Two were executed, together with "Gallan," the notorious Cypriot mercenary leader, and seven were given jail sentences of between 16 and 30 years.

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## Giscard call to reject Left

BY DAVID CURRY

PRESIDENT Valéry Giscard d'Estaing of France tonight made a passionate appeal to his fellow countrymen to reject the "deceptions" of the Left and return the present governing parties to power in the general election which is 44 days away.

He appealed to voters to make "the right choice" in the election in the interests of completing the work of economic recovery; ensuring effective Government; advancing towards justice, liberty and maintaining France's reputation overseas.

He made it crystal clear that he judged on each of these criteria he thought a Government of the Left would mark a step backwards. But he also warned in

the most precise way that should the country vote for a Left-wing Government he, as President, would have no constitutional power to prevent the implementation of the common programme.

M. Giscard d'Estaing was making what he hopes will be a decisive speech in setting the tone and themes of the election. To make this much heralded declaration, carried in full by all national television and radio stations, he chose the tiny Burgundian town of Verdun-sur-le-Doubs, symbolising his determination to get through to what he calls "the real" or "the true" France.

Although he insisted that he was speaking as President laying the issues before the people rather than as a party leader,

his audience of more than 10,000, imported from the whole region and packed into a huge tent, clearly interpreted the address as a strong campaigning speech.

The only party he mentioned by name was the Communists, and then only to damn the ambiguity of their relations with the Socialists. But he went on to praise the Prime Minister, M. Raymond Barre, who joined the president for the speech, for his "courage, competence and loyalty." He also strongly endorsed the Government's programme recently outlined by M. Barre, picking out, particularly upon the theme of unity for the most urgent part of his address.

The speech contained a clear signal to the disgruntled Gaullists that he was not engaged

in any "obscure manoeuvre" to do a deal with the opposition. His contacts with leaders of all shades of political opinion was part of his campaign to encourage unity, he said not backstairs politicking.

The common programme of the Left was attacked witheringly as offering "a paradise of false ideas" based on the premise that the economic crisis could be voted away. Its implementation would "put France on the dole," he said.

His speech will be bitterly attacked by the Left as betraying the impartiality of his office. M. Giscard d'Estaing, however, repeatedly insisted that his duty lay in putting the issues before the French people so that they could never claim that he had let them be deceived.

## U.S. official starts new Mid-east shuttle

By David Lennon

TEL AVIV, Jan. 27.

MR. ALFRED ATHONTON, the U.S. Assistant Secretary of State for the Middle East, today left Israel today for Amman in Jordan, on a new American Middle East peace shuttle.

Official American spokesmen were at pains to stress that Mr. Athonton's meeting with King Hussein would be in the nature of a courtesy call. But senior officials conceded privately that this was the start of a shuttle between Middle East capitals.

Mr. Athonton will be sounding out King Hussein's reaction to the Israeli proposal on the Palestinian clause in the joint Egyptian-Israeli declaration of principles for a Middle East peace settlement. During his talks in Israel this week, Mr. Athonton has been able to get some Israeli movement on the delicate but vital wording of the Palestinian clause.

The Americans have been aiming to win agreement for the formula first floated by President Carter when he met President Sadat in Aswan earlier this month. This spoke of the Palestinians participating in discussions on the determination of a solution of their problem in all its aspects.

Israel had wanted the declaration to refer to the "Palestinian issue" rather than refer to it as a "problem." Israel has offered to concede this point, if the Egyptians agree to drop the reference to "all its aspects."

It is this fine print clarification which Mr. Athonton will be discussing with the Jordanian monarch.

The American official will go on to Cairo, probably on Monday to discuss the Palestinian clause with the Egyptians. After a few days of clarification, he is expected to return to Israel.

Cautious optimism continued to rule here. Both the Israelis and the Americans are convinced that progress has been made in the past week in closing the gap between Egypt and Israel on this issue. But it was cautioned that agreement has not yet been reached on a final text of the declaration of principles.

Israeli officials warned privately yesterday that even when the Palestinian issue is resolved, there may still be problems over a declaration of intent concerning the occupied Golan Heights.

## EEC to step up Greek membership negotiations

BY GUY DE JONQUIERES AND DAVID BUCHAN

BRUSSELS, Jan. 27.

Mr. Constantinos Karamanlis, the Greek Prime Minister, received by Mr. Roy Jenkins, the Commission President, that Greece's case for EEC membership should be stepped up on its own merits and that the Community would not try to link it formally with the more recent, and in some ways more problematic, applications submitted by Spain and Portugal.

Mr. Jenkins was careful not to name any firm entry date for Greece, which has been pressing for admission by early 1980, though he hoped "to break the back of the negotiations by the end of the year." His reference to the more recent, and in some ways more problematic, applications over how rapidly EEC governments will authorise the Commission to proceed with the

negotiations, which are now approaching the hard bargaining stage.

The Commission this week drew up proposals for Greece's integration into the EEC's industrial customs union, which it hopes will be approved by Foreign Ministers of the Nine early next month and plans to follow these with proposals on capital movements, coal and steel and external relations by the end of March.

Proposals on the more controversial dossiers, notably agriculture, will not be presented until after the French legislative elections but it is hoped that they will be on the table by the end of the summer.

## Andreotti in discussions with union leaders

BY PAUL BETTS

ROME, Jan. 27.

AT THE end of preliminary talks with political party, industry and trade union leaders, Sig. Giulio Andreotti, the Italian Prime Minister Designate, claimed today that there was a "large measure of agreement" over an economic and social programme to bring the country out of its present crisis.

Sig. Andreotti, who met today the heads of Italy's main labour confederations, acknowledged, however, that there were still considerable divergencies on the key political question of a new governing formula demanded by the Communists.

So far, the Sig. Andreotti's Christian Democrats have rejected Communist demands, renewed yesterday by Sig. Enrico Berlinguer, for direct participation in an emergency government.

But while the Communist Party's Central Committee appears united in support of Sig. Berlinguer's hard-line approach, there were signs during its debate today that the party was still willing to discuss a compromise. Unless such a compromise is reached, there is the strong risk of early elections.

Union leaders today expressed their opposition to fresh elections at this delicate time, and pressed for a swift solution to the political crisis to enable the enforcement of an urgent economic recovery programme.

The leadership—one of the key components in the current complex political negotiations—are now increasingly facing pressure from their own bases.

The call by Sig. Luciano Lama, head of the largest and Communist-dominated labour confederation, for a change in union policy involving a more realistic approach to labour mobility, occupation and wage claims has been fiercely criticised by the rank and file, especially in the industrial North.

Union leaders are now travelling round the country to promote the confederation's own economic programme at shop floor level.

The programme, submitted to Sig. Andreotti today, calls for, among other things, higher growth and job-promoting investments—particularly in the depressed South—in exchange for which the leadership would be willing to adopt a more flexible approach to a number of crucial issues like labour mobility, redundancies and wages.

On the whole, however, those who have on the whole resented their leadership's recent decision to revoke the calling of a one-day general strike, are in a state of growing agitation not only as a result of the growing threat of inflation but in great part because inflation has nullified most of their wage rises.

## U.K. warning to Japan on protectionism

By Our Foreign Staff

THE U.K. has told Japan that there is a serious danger of a relapse into world-wide protectionism if the Japanese trade surplus is not substantially reduced. The warning was repeatedly emphasised by British Ministers in talks in London over the past two days with Mr. Nobuhiko Ushiba, the Japanese Minister for External Economic Affairs, who is on a tour of European capitals.

Mr. Ushiba, Japan's chief trade negotiator, met Mr. Denis Healey, the Chancellor of the Exchequer, Mr. David Owen, the Foreign Secretary, and Mr. Edmund Dell, the Trade Secretary, before leaving for Brussels yesterday.

Mr. Ushiba said emergency measures, including all stock-piling, would be introduced if Japan looked like failing to reduce its surplus to the planned level of \$4bn this year, against \$11bn. in 1977. It would be politically and economically unacceptable to reduce the surplus any further, he said.

Mr. Owen, however, said a number of Britain's EEC colleagues still thought the \$4bn target too high and doubted whether Japan's planned growth would be sufficient. He warned that the danger of a further slide into protectionism was particularly strong in Western Europe.

## S. Africa sanctions demanded

BY OUR OWN CORRESPONDENT

UNITED NATIONS, Jan. 27.

AFRICAN MEMBERS of the Security Council, with Asian and Communist support, continued to press today for further sanctions against South Africa, although Britain, France and the United States, which have the power of veto, are unwilling at present to go beyond the mandatory arms boycott approved last November.

Nigeria, Mauritius and Gabon distributed a "working paper" outlining their proposals, including a plan to halt new foreign investments in South Africa.

They called this a "necessary measure" as such investments encourage the racist regime to persist in its policies of apartheid and facilitate its military build-up.

Their paper, the basis of a probable draft resolution, would have the 15-member council call on all states, including non-members of the U.N., to refrain from granting any loans to, or

investments in, South Africa, or guarantees for such loans or investments.

All states should also take effective steps to prohibit loans or investments by corporations and financial institutions in South Africa, and terminate all incentives for investments in or trade with that country.

The Council would be asked further to call on all States "to review their financial and other relations with South Africa" with a view to extending next week into another go-round on Rhodesia, despite the Malta conference which then will be taking place.

Britain's chief delegate, Mr. Ivor Richard, and the chief delegate of the U.S., Mr. Andrew Young—who will be joining the U.K. Foreign Secretary, Mr.

David Owen, in Malta for talks with Patriotic Front leaders—are urging the Africans to give the conference a chance and not press for further action in the U.N.

External Affairs Commissioner of Nigeria, which holds the council presidency this month, indicated in-day that his Government will wait and see.

But at a Press conference here, he also accused the British mission of distributing incomplete information on a statement about Rhodesia made by Dr. Owen two days ago.

The missing section, he said, was the Foreign Secretary's reported remark that Britain would not frustrate any attempt to obtain a Rhodesia settlement.

African members here have been saying privately this is an encouragement to Mr. Ian Smith to go ahead with internal arrangements, excluding the Patriotic Front.

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## RIOTING IN TUNISIA

## Struggle for succession erupts into violence

BY OUR FOREIGN STAFF

DISTURBANCES continued yesterday in Tunis following Thursday's violence, the worst bout of country-wide rioting since Tunisia became independent in 1956. According to Mr. Dhaoui Hannablia, the Interior Minister, at least 40 people were killed in these riots. But unofficial estimates put the number of dead at between 70 and 80 and the number of wounded "in the hundreds."

The riots took place during Tunisia's first one-day general strike, called by the General Union of Tunisian Workers (UGTT) in protest over recent attacks on union offices and the arrest of trade unionists. Yesterday's clashes were reported to have taken place in an industrial area near Tunis airport and in the slum regions of the capital.

There are three main aspects to this unprecedented outbreak of rioting in Tunisia. The first is the succession to the problem of the succession to the late President Habib Bourguiba, who has led the country since independence, and is now aged 74 and in bad health. Although, constitutionally, the succession would pass to the competent but unexciting Mr. Hedi Nour, the Prime Minister, the question of succession after Mr. Bourguiba's death has been in recent months begun again in earnest.

The problem has been compounded by the fact that over the years Mr. Bourguiba has been successful in making such potential successors as Mr. Mahmoud Messiri, Mr. Beji Qaid Esselhi, Mr. Bahi Ladgham, and Mr. Mohammed Masmoudi, politically impotent. In addition, as his health has continued to deteriorate, resentment has be-

come widespread at the economic and political mismanagement of the country.

The UGTT strike represents a direct challenge—despite his disclaimers—by Mr. Achour to the authority of Mr. Nour, and implicitly to the President himself.

Mr. Achour has a close political ally in Mr. Masmoudi, a former foreign minister who was ousted after an abortive attempt at union with Libya in January 1974. He returned from exile last month and has good connections with Colonel Gaddafi, the Libyan head of state. However, the presence on the streets of the PSD militiamen suggests that another key figure in the succession fight comes from within the Government in the shape of Mr. Mohammed Sayeh.

He is not only director of the party, but also holds the critical position in the "cabinet" of minister responsible to the Prime Minister. In the past six months, Tunisia has been wracked by labour unrest. In December the dismissal of Mr. Tahir Belkhdja, the Interior Minister, for his soft handling of strikes was followed by the resignation of six other ministers which was seen subsequently as an unsuccessful attempt to get President Bourguiba to dismiss Mr. Nour.

The second factor lies in the economy. Conspicuous discrepancies of wealth in the cities and abundant corruption, affecting particularly the civil service, has caused opposition which has been strengthened by rampant inflation.

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President Habib Bourguiba

## Strikes

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## HOME NEWS

## Over-taxation blamed for drink-trade ills

BY KENNETH GOODING

THE WINE and spirit trade's difficulties last year are reflected in statistics from the Customs and Excise which show sharp falls in clearances from bond—in the longer-term usually a fair indication of actual sales.

Clearances of spirits in the first 11 months of 1977 were

14 per cent. down, equivalent to a shortfall of 22.5m. bottles compared with the same period the previous year.

The drop for wine was not quite 5 per cent., or more than 20m. bottles.

This is a direct result of over-taxation by the Chancellor of the Exchequer, commented Mr. John Pownall, chairman

of the Wine and Spirit Association. Repeated warnings to Mr. Healey that over-taxation would depress both trade and revenue had been borne out by official revenue figures, he pointed out. There was a shortfall of nearly £10m. on wine duties alone in the 1977-78 tax year. "By then duties

on wine had been raised 333 per cent. under Mr. Healey," Mr. Pownall stated. "If the Chancellor is rash enough to raise duties again this year he will court another revenue shortfall—as well as mount a further attack on employment levels in the trade."

During the first 11 months of 1977 compared with the

same period a year before, imported wine clearances fell by 4.6m. gallons to 59.5m. gallons. Blended Scotch whisky dropped 17 per cent. to 13m. gallons, gin by 17 per cent. to 4.3m. gallons, vodka by 5.5 per cent. to 2.8m. gallons, rum by 13.5 per cent. to 2.5m. gallons and brandy by 13.5 per cent. to 1.9m. gallons.

## U.K. 'could run short of coal in 20 years'

BY RAY DAFTER, ENERGY CORRESPONDENT

BRITAIN could be importing the equivalent of nearly 100m. tons of coal a year within the next 20 years—a drain on the balance of payments of some £7bn. at 1976 prices.

This forecast, depicting a marked switch from the forthcoming energy self-sufficiency, is contained in a paper prepared for the Energy Commission by the Department of Energy.

Recent studies within the Department have shown that the country could remain self-sufficient for little more than a decade (1980 to about 1990). After that demand will outstrip indigenous production of oil, gas and coal.

The shortfall in the year 2000 could be as little as 20m. tonnes of coal equivalent, assuming a low economic growth rate, a high level of coal production and a

strong growth in nuclear electricity generation. On the other hand, if there is a high economic growth rate not matched by coal and nuclear output the energy gap could be as wide as almost 150m. tonnes of coal equivalent, a balance of payments burden of nearly £9bn.

The paper presents a more detailed picture of Britain's energy prospects than so far published. It also extends the range beyond the year 2000 to 2025.

The extended projection shows that new nuclear capacity might have to satisfy the majority of additional electricity demand in the year 2025, a prospect not yet contemplated by the Ministry of Energy.

Projections for the mining industry suggest that from the

mid-1990s coal will be used increasingly for industrial purposes and to make substitute natural gas leaving nuclear electricity to fulfil most of the new electricity needs. The report, which will be discussed by the Energy Commission at its second meeting on February 13, concludes that of the possible 100m. tonnes of coal equivalent shortfall in the year 2000, at least a half could be met by coal and nuclear power if they were available.

It adds that renewable energy supplies, such as solar, wind and wave power, are unlikely to make a significant and economically viable contribution to supplies before the end of the century.

Energy Forecasts: Energy Commission Paper Number 5, Department of Energy.

## Government to help shoddy industry

BY RHYS DAVID, NORTHERN CORRESPONDENT

THE GOVERNMENT is to help Britain's shoddy industry—not the makers of poor quality goods, but, in the proper meaning of the term, the processors of waste textile materials.

The National Anti-Waste Programme, which is backed by the Department of Industry, is launching a pilot scheme in Kettering for a week, when householders will be asked to fill specially distributed bags with textile waste.

The programme will be paying for the main administrative costs of the scheme, including advertising, and if successful, it is likely to be extended to other towns. In each case, charities will be responsible for organising the collections, and they will receive revenue from sales of the materials collected.

About 30 companies in the textile waste processing industry—based mainly in Yorkshire and around Dewsbury and Batley—

have formed a company, Save and Recycle (Textiles), to buy the collections.

The programme was started two years ago under Dr. Robert Berry, a former chairman of Alcoa GB, to increase the use of waste materials from households and industry, much of which is now destroyed.

Although metals are the most valuable type of waste, textiles and other sectors have the potential to re-use waste if they are efficiently collected.

Collection has traditionally been handled by totters, but because of changing living patterns, such as the growth of multi-storey flats, totting has declined, and the amount totters collect has fallen greatly.

Even so, the value of textile materials collected and sold back to industry is estimated still to amount to many millions of pounds a year. There remains a substantial export trade,

## Savings rate cut

By Adrienne Gleeson

THE RATE of interest on deposits in investment accounts at the National Savings Bank is to be cut from 9 to 8½ per cent. from March 1.

The cut reflects the reduced earning power of the fund in which National Savings Bank deposits are invested, after last year's decline in interest rates.

News of the decision to cut will be welcome to the building societies, whose rates to depositors have been almost in line with those offered on the savings bank's investment accounts.

Earlier this month the Building Societies' Association recommended that its members should cut the rate which they offer to depositors from 9 to 8½ per cent.

taxpayers equivalent to 8.3 per cent. grossed up to a basic-rate taxpayer.

In the five weeks to end December, net receipts of the savings bank's investment account department amounted to £39.1m.

## Malaysian talks on Concorde route fail

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AND Malaysian officials have failed to reach agreement on a resumption of Concorde flights to and from Singapore across Malaysian airspace and the U.K. team at the talks is on its way home. No date for a resumption of the talks has been fixed.

The Concorde flights to and from Singapore remain suspended, with no indication when they are likely to resume.

The flights began on December 9, despite a Malaysian refusal to allow the aircraft to fly through the flight information region controlled from Kuala Lumpur.

The aircraft did not pass over Malaysian territory, but flew down the Straits of Malacca between Malaysia and Indonesia.

The flights were made across Indonesian airspace, but the Indonesian Government allowed only three in each direction. Since December 18, no Concorde have operated into Singapore.

The Malaysian objections are based on fears about environmental pollution from Concorde. The British High Commission in Kuala Lumpur said that the Malaysian Government was now considering new information on the environmental impact of Concorde which Britain had provided in answer to questions raised by Malaysia.

The Malaysian team is understood to have raised other issues at the talks. Although no formal confirmation is available, these are believed to concern the bilateral air agreement between Britain and Malaysia.

It has been suggested that Malaysia would like to have more DC-10 flights by its own airline, Malaysian Airlines System, between London and Australia and Hong Kong, via Kuala Lumpur.

The U.K. now considers that it has done all it can, and that the next move rests with Malaysia.

## Sales of TV sets disappoint makers

BY MAX WILKINSON

DELIVERIES of colour television sets in the first 11 months of 1977 totalled 1,49m., according to figures released yesterday by the British Radio Equipment Manufacturers' Association (BREMA).

Of this total, 1.2m. or 86 per cent. were made in the U.K., the association says. The figure for U.K.-produced sets is slightly understated, because it does not include the South Wales production of Sony and Matsushita, who are not members of the association.

The U.K. share of the monochrome television market was only 48 per cent. Just under 1m. sets were delivered in the first 11 months of the year, of which 50 per cent. were of the small screen transportable type.

The association's comment on the figures is that television sales remained very disappointing.

"There are some signs that consumer outtake of both colour and small screen monochrome sets was picking up in October and November, but that this seasonal uplift was not as strong as might have been anticipated, given the very slow start to the year."

The market for audio systems has also been sluggish. A total of 525,000 units was delivered up to November by BREMA members. Music centres, including tape deck, turntable and radio in one unit were delivered at about the same rate as in 1976, but deliveries of amplifier/turntables and tuner/amplifier/turntables showed a substantial decline.

## British trade with Russia worth £1bn.

BY DAVID SATTER

THE VALUE of British exports to the Soviet Union went up 45 per cent. last year and deliveries on major Anglo-Soviet contracts signed last year are expected to push up the totals further this year and next.

Provisional figures released by the British Embassy in Moscow, show that exports were worth £347.4m. a rise of £107.2m. from 1976.

The value of British imports from the Soviet Union also rose but not as rapidly as exports. British imports from Russia were worth £794.8m. last year, a rise of 22 per cent. Imports in 1976 were worth £545.1m.

The main British exports were machinery and chemicals. The main imports were Soviet raw materials and particularly oil, timber, diamonds and furs.

Trade turnover reached £1,132.3m. a rise of 28 per cent. (£888.3m. in 1976).

The U.K. trade deficit reached £437.4m. (£404.9m. in 1976).

British commercial sources cautioned that a significant share of the rise in exports was due to British shipments of uranium to the Soviet Union for enrichment which were then re-exported to the U.K.

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## Stonehouse 'unable to explain' his Swiss accounts

MR. JOHN STONEHOUSE, the jailed former MP, said during bankruptcy proceedings at the High Court yesterday that he would not have been before it if it had not been for his nervous breakdown.

Throughout an hour and a half of searching examination by the Official Receiver, Mr. James Tye, Stonehouse's behaviour was in sharp contrast to that in their meeting in the court last March, when they clashed several times.

This time Stonehouse remained calm and polite. At the conclusion Mr. Tye remarked: "I think the debtor has made a much more genuine attempt to explain his affairs."

Those affairs, the court was told, included Stonehouse's signing of guarantees totalling £304,000 between 1970 and 1974, by which time, it was alleged, he had no funds to meet them.

Stonehouse claimed he had signed many guarantees believing they would never be activated.

He denied vigorously that money in a Swiss bank account in his name had been transferred there from England via a Liechtenstein company. Mr. Tye questioned him about the account, and said that of £115,000, Stonehouse's earnings abroad were shown to be only £35,800.

He told Stonehouse: "There is a considerable discrepancy. I want to know where that money came from."

Stonehouse said it came "under the general heading of overseas earnings."

Mr. Registrar Parbury ruled the public examination to be ended, but did not make an order allowing Stonehouse a future "automatic" discharge from bankruptcy. Stonehouse, who is serving a seven-year sentence for theft and fraud, will have to apply for discharge.

The registrar also expressed concern that Stonehouse had not been able to explain the large sums of money in his Swiss account.

## Scheme to protect small depositors in institutions

BY MICHAEL BLANDEN

NEW PROTECTION will be offered to small depositors in evidence to the Commons select committee on the National Insurance under regulations planned by the Treasury and the Bank of England.

The scheme is intended to ensure that small depositors do not suffer if a banking deposit-taking institution fails, and will be a major innovation in U.K. legislation after the experience of the fringe banking crisis.

Details of the proposed scheme have been distributed by the Treasury to the main banking and finance house organisations in the form of a discussion document.

The deposit protection fund is an important aspect of the planned legislation on the licensing of deposit-taking institutions, originally set out in the White Paper published in August 1976.

It has also proved the most controversial aspect of the proposals, with the big clearing banks arguing about their experience with the fringe bank lifeboat that they should not be required to provide the bulk of the funds needed to protect depositors in smaller competing institutions.

In mid-December Mr. Denis Davies, Minister of State at the Treasury, indicated that the legislation would be introduced as soon as Parliamentary time permitted.

This week Mr. Gordon Richardson, the Governor of the Bank of

England, has reaffirmed in evidence to the Commons select committee on the National Insurance under regulations planned by the Treasury and the Bank of England.

The proposals set out in the document are that depositors from any one depositor in a bank deposit-taking institution should be covered up to the first £10,000.

But in order to keep some incentive for depositors to exercise judgment in placing their money only 75 per cent. of their money would be repaid if the institution failed.

The proposals, disclosed in the Investors Chronicle yesterday, make some concessions to the arguments of the big banks. Banks and deposit-taking institutions would be required to contribute to the fund, which is expected to total some £5-£6m.

Contributions would be related to the size of deposits. But there would be a lower limit of £5,000 and a ceiling of £300,000 on the amount to be paid on the first claim.

The fund is expected to be backed up by guarantees from the banks for further amounts needed. An upper limit of 10 per cent. of deposits has also been set on guarantees.

The scheme will be run by the Bank, which will also be the central supervisory body for banks and deposit-taking institutions when the laws are introduced.

## Flood repairs cost £2m.

IT WILL cost about £2m. to repair sea defences damaged in the recent floods on the East and Kent coasts, MPs were told yesterday.

This was the figure estimated by the Anglian and Southern Water Authorities, Dr. Gavin

Strang, Parliamentary Secretary, Agriculture, said in Commons written reply.

About 9,000 acres of farmland had been flooded, including about 1,800 acres of cereals and horticultural crops. About 1,200 sheep had been drowned.

## Leyland workers fined £40 for smoking in danger area

TWO BRITISH Leyland car workers were each fined £40 by Birmingham magistrates yesterday for smoking in a highly inflammable area of the company's Longbridge factory.

The prosecutions, brought by the Factories Inspectorate under the Health and Safety at Work Act, are the first of their kind in the Midlands motor industry.

After the court had heard evidence of "indiscriminate, illegal smoking" at the plant, Mr. R. T. Jones, the magistrate, said to the two men: "I should

remind you that the maximum for this offence is £400 and for a breach of the Health and Safety at Work Act, which I cannot understand why anyone smokes in such dangerous areas."

To me, it is surely a matter of common sense and not rules and regulations."

The court was told that during the previous year controlling smoking in industrial work places. Despite efforts by management and unions, there continued to be massive resistance to the observance of smoking restrictions. Before the court were Gordon Bowen, 63, and Leo O'Gorman, employees.

## NEWS ANALYSIS—LABOUR AND THE TOWN HALLS 'Bigger no longer better'

BY DAVID CHURCHILL

THE LABOUR PARTY local government conference in Bristol today will look to Mr. Peter Shore, Environment Secretary, to reaffirm the Government's intention of transferring vital powers for public services back to the cities who lost them under the 1974 Conservative re-organisation.

The proposals are expected to form the main debate at this morning's conference session and will have a direct effect upon the provision of social services, transport, planning, and educational services to at least 25m. people in nine major cities.

The cities, known as the Big Nine former county boroughs with populations over 200,000, are Bristol, Hull, Nottingham, Leicester, Southampton, Portsmouth, Derby, Stoke and Plymouth.

Cardiff, which would have qualified, has not been included in Government plans, because of the implications for Welsh devolution.

Before 1974, the Big Nine had wide-ranging powers for educational and personal social services. But under the Conservative re-organisation those cities failed to win metropolitan status, which meant many of the major functions being transferred to the larger county councils under the premise that "bigger was best."

Since then, the Big Nine have mounted under the Government a return of most of the responsibilities.

Split

At the conference a year ago Mr. Shore sparked further controversy when he canvassed support for such "organic" change. He has faced stiff opposition from Cabinet colleagues in health and education who are opposed to further changes soon after the last reorganisation.

The local authority associations have also split over the issue and the largest local government union, the National and Local Government Officers' Association, is also divided.

This week, the 22-strong "second tier" of former county boroughs such as Ipswich and Norwich with populations be-

tween 100,000 and 200,000, met in London to co-ordinate their campaign for a restoration of powers.

Supporters of organic change argue that the issue is not simply one of the towns seeking to re-establish their power over the counties, but is more concerned with providing effective Government at a grassroots level and avoiding waste of resources.

"Bigger is no longer better and the old argument of economies of scale can be a snare and

has to take it to the city council's Environmental Health Department. But if that case is underweight it has to go the Avon County Council's consumer protection department.

The division of responsibilities for social services and housing is the one which has caused most heartache. Homeless people in Bristol are the responsibility of the Avon County Council, while the housing stock belongs to the Bristol City Council.

Similarly, old people's flatlet schemes are built and run by Bristol, while Avon employs the wardens.

Public

While the Association of District Councils, which spell out its case to Mr. Shore recently in a memorandum, does not seek the restoration of educational powers, the Labour Party does want them back in district control. It believes it important that education operates from the level of government closest to the public.

The Labour Party also argues that there is a good case for transferring back to the towns services with a strong "personal" element, such as libraries and consumer protection.

And it also wants refuse disposal, highway maintenance, traffic management, and non-strategic planning back in district control.

The Association of County Councils, not surprisingly, is opposed to any organic changes which mean loss of power. It argues that there is no public demand or benefit for changes and that it is "ludicrous" to consider expensive changes at a time of restraint in public expenditure.

And it points out the damaging effect on staff morale of the continuing uncertainty over local government structure.

Supporters of organic change had hoped to see a Bill introduced into this Parliamentary session. But the strength of opposition within the Cabinet has delayed immediate action.

The question now is whether a change comes about either before the next General Election or before next autumn's Labour Party conference when long-term plans for "English devolution" are due to be debated.

As long as Labour remains in power it seems probable that "organic" change will occur in the short-term. Strong constituency interest from two other Cabinet Ministers—Tony Benn from Bristol and David Owen from Plymouth—is likely to help swing the Cabinet.

On a minor level, he cites the example of the housewife who, on finding an impurity in a cake,

delusion where finance and priorities are outside the control of elected district members who are closest to the public," says the Association of District Councils, whose members include the former county boroughs.

The public turns instinctively to the district councillor and local town hall with problems in the public services.

Yet it is hard for the public to understand that control is vested in the county as yet another tier of administration, the association maintains.

Bristol, the largest non-metropolitan district in the country, is a good example of the effects of the 1974 reorganisation.

As one of the most vociferous campaigners for a return of powers, it is also fitting that Bristol should have been chosen as the venue for today's conference.

Councillor Charles Morrell, leader of Bristol City Council, says the effect of the re-organisation has been to frustrate the city activities and confuse the public.

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## A striking contrast

Mr. Andrea Herz, who was surprised to read in a former Liberal candidate, believes that David Steel prepared to saddle the country with more months of "ally rule." Mr. Herz, who is the Labour Government has "brought small business to their knees," and has

technical help in tracking down debris.

Meanwhile, the tiny Arctic community of Baker Lake, closest to the search site, has been trying to cope with an unexpected influx of visitors. Soldiers, scientists and plane-loads of equipment have been moved into the town, about 1,300 kilometres north of Winnipeg, following the detection of the high radiation levels about 300 kilometres to the south-west. The land in that particular area is barren, tundra and uninhabited.



SSR have ever launched satellites powered by nuclear generators. Almost all satellites so far have depended on "solar cells which convert sunlight directly into electricity to generate power for their instruments. Mostly the problems of using either the heat of nuclear

When their stint is over they separate into three sub-systems—the satellite itself and the rocket motor, which spiral slowly back towards the earth, turns out that the radiation measured really came from a uranium deposit and that the Russians have put the Canadians on to the track of a new fresh discovery of nuclear fuel.

choice of whether or not the actuary should give to his client a choice of assumptions. To get a proper feel of the fund being valued most actuaries would conduct calculations on more than one set of assumptions, but I tend to agree with Mr. Whitehead that the final choice should be a matter for actuarial judgment, although in presenting his valuation to the client the actuary ought to indicate whether he has pitched his calcu-

Authoritative estimates of total supply from all renewables for the year 2000 says that it unlikely to exceed 10 per cent of total primary supply. Waste heat recovery from com-

city if it is available at times of peak demand, that is, during cold spells in winter and then only if generating capacity is not available. Unfortunately this is just the time when wind and wave generated energy will not be available, since the coldest weather is often due to an anticyclone (high pressure area) which brings cold air from the continent, polar and arctic regions and is associated with light winds. Better to go for


Trustees are ultimately responsible for the investment of the funds and, if they do badly, they have no grounds for passing the buck "back to the company."

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of the station are shown on dials and controlled by pressing buttons. Station managers remember occasions when intelligent and immediate reaction by one man in the control room in an emergency has saved the CEBG from a £20m. disaster—yet the unions do not recognise these workers as craftsmen.

## Economic Diary

But it does come at a time when Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union and one of the four union leaders for the 96,000 power workers in the country, is loudly beating the war drums ahead of a crucial stage in the electricity supply industry's pay negotiations. Mr. Chapple, who is well aware that his members can shut the country down overnight, has already painted a picture of Britain "stumbling about in the stone age." Moreover with the unions' demands

Unofficial disruption in the power stations had just ended. The question hanging darkly over the country ever since has

After two years of strict pay restraint and the power workers' fall from a relatively high position in the wages league, money is by far the overriding issue, notwithstanding the other grievances raised in the autumn dispute. The power workers point out that with the introduction of the Government pension scheme in April involving deductions from their pay packets, take home pay would actually fall if they received only a £3.50 increase from a 10 per cent. basic rise. Furthermore, with the delay in im-

Whether the power workers are ready to take on the country to settle their grievances has to be judged on a variety of other more complex factors. Mr. Chapple's warning earlier this month that the demands of the "militants" could not be ignored seemed to be aimed at the Government and the Elec-

to be of a special personal calibre and of above-average intelligence. A plant attendant, for instance, will often know his power station inside out and need to comprehend the science and the engineering which produce electricity. He may be promoted to a job in the control room where the entire working

**TO-DAY** — Prime Minister and Labour Party Local Government conference, Bristol.

**MONDAY** — House of Commons debates employment. Sir Charles Villiers, chairman, British Steel, gives evidence to Select Committee on Nationalised Industries of BSC documents, House of Commons. Scottish TUC delegation meets Prime Minister on devolution proposals, Downing Street.

**TUESDAY** — Railway pay talks. Gas workers' pay talks. Statement by General Council of British Ship

## Speke stewards call for mass

## Agreement at Hoover

HOOVER said last night that agreement had been reached over strike by 47 South Wales drivers which led to 3,000 layoffs. It would be put to the drivers immediately.

son (Aberdeenshire South).  
Ministers now regard the affair as closed, following Mr. Michael Foot's apology to the Commons. No further action against the three whips is contemplated though Mr. Callaghan has made his displeasure known.  
The Opposition, however,

Mr. Leon Brittan, a Conservative front-bench spokesman on devolution, said last night that the week's events had shown that there was simply no substantial support for the Scotland Bill in the Commons. "No amount of sharp practice will be able to save

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payments**

## Miners earn in bonus pay

BY CHRISTIAN TYLER, LABOR

- Seven hours of talks between Ford management and shop stewards on Merseyside broke up last night in deadlock over job rotation.
- Nazi salutes by a car worker who supports the National Front caused a lightning stoppage by 390 workers at Leyland's Longbridge plant, Birmingham, yesterday.

They returned after management agreed to consider transferring him.

The Commission had hoped that its decision would lead to lower Continental prices and will undoubtedly be disappointed that the Price Commission has accepted Distillers' case.

Distillers argued that it needed the U.K. price increases to stop the unprofitable export of Scotch. It added that 85 per cent. of its Scotch sales were accounted for

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ched regional equities, the  
ovides a particularly high yield  
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shares and British Government can obtain high levels of income the medium term, Schlesingers from this fund as a result of rates.

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Investors of £2,500 or more in any Schlesinger trust will receive the Schlesinger Personal Investment Management Service (PIMS). This includes regular reports on the trust and invitations to meet the investment manager.

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Remember that the price of units and the income from them can go down as well as up.

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To invest, use the coupon provided. Applications will be accepted until the 31st of March each year during March. The minimum investment is £1,000. The gross yields of 3%, 5% and 11.5% are based on the current offer price of £1.00 up to the 31st of March 1984. The yields for the Preference & Gift Trust, The Unit Prices and yields are based on the current offer price of £1.00. The current annual return your certificate appropriately endorsed on the back, payment of interest and dividends will be made by way of a cash or cheque, renounced certificate. Charges: Initial charges of 3% and 5% are included in the respective offer prices of the Preference and Gift Trust units respectively. Charges at respective annual rates of 0.5% (VAT and 0.5% (stamp duty) of the fund's net assets and income less income towards administrative expenses.

**Completion of Form**

In the event of change in taxation which would render the disadvantageous, the Trust may, at its discretion, transfer the whole of the portfolio of the Preference & Gift Trust to be re-invested in high yielding British equities. The Trust will not be liable for any loss or only if, in the judgement of the managers, it would not be prudent to do so. The Trust will not be liable for any loss or incurred. The name of the Trust would also be changed to:

Trustees: Midland Bank Trust Co. Ltd. Agents: Peat, Marwick, Mitchell & Co. Managers: Schlesinger Trusts Ltd. Registered in England. No. 935858. Member of the Unit Trust Association of Great Britain. Not available to residents of the Republic of Ireland.

# up 14% th

BY STUART ALEXANDER

**NEW HOUSE** prices could rise by about 14 per cent. this year, taking the average from less than \$40,000 to \$45,700, Mr. Colin Shephard, president of the Home Builders' Federation, said yesterday.

The number of homes on which building work starts might not exceed the 130,000 of last year's he added.

"Uncertainties over Government housing policy, inflation, and inflation, and taxation, erratic interest and mortgage rates, heavy increases in build-

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designated with their initials will be

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
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**Scheme**



# COMPANY NEWS + COMMENT

## John Brown's profit to exceed £20m.

IN HIS INTERIM statement Lord Abernethy, the chairman of John Brown and Company, says that given no unforeseen setbacks, pre-tax profits for the year to March 31, 1978, should exceed £20m, compared with £10.9m for 1976-77.

The economic climate worldwide continues to give little cheer, members are told, and the markets for some group products, notably machine tools and plastics machinery, remains dull. On the other hand there is now a fair prospect of reasonable near-term stability at home, continuing beyond the financial year end and the group started the year with strong order books, especially in the construction of John Brown Engineering (Clydebank): these factors, together with improvements elsewhere in the group, now every sign of producing a successful result, directed to the accounts for the year provision will be made for only such tax liabilities as are likely to arise in the foreseeable future within £0.10.

To reduce disparity with the final dividend, the interim payment is 4p (2.8p) net per £1 share. Last year's final was £3.8p.

**Good year**

As expected, Constructors John Brown will have had a good year, successfully handling the largest volume of work in its history. As well as further strengthening its management and technical base, the chairman points out however that to maintain current levels of activity at CJB in 1978 the company still needs to win a significant amount of new business, and the directors are hopeful of doing so.

John Brown Engineering (Clydebank) is on the road to ridding another record number of gas turbines in the year, earning a good profit. The recent increase in the value of sterling does not help the gas turbine business and will make it more difficult next year to take the export orders needed to fill 1978-79 capacity.

As foreshadowed the group has moved down to a care and maintenance basis, but the facility at Clydebank for modules or offshore platforms. No new orders on acceptable terms were forthcoming and it is unlikely any will be within the next year or so, says Lord Abernethy.

From Wickman which the same profit is expected this year as last. Markets for machine tools remain very difficult, but there are signs of improvement in demand. However, the directors are encouraged to seek further profitable development of strong machine tool production lines, and this they hope to do over the next year or two. The results therefrom will not be fully for some time, but there should be a further small gain in the next year as the machine tool activities next year (twisting) under the depressing short-term trading outlook.

**Verseas**

Elsewhere in the group, markets for the products of Firth's own tools have continued dull, and have become especially tough, as with fierce competition from the rest of the world. The company has continued to reasonably well and has eliminated the losses from its overseas subsidiaries. A useful improvement in profit is expected in 1978.

Firth Brown Steels in Canada and Markham and Company at home continue to perform well. The latter should produce satisfactory profits but the process aimed for in overcoming problems of John Brown Industries Machinery has not been the results of this year, but a substantial improvement on 1977's loss, but any profit is likely to be very small.

The chairman says that taking the group as a whole, the improvement in profits indicated by the rise in the share price will be accompanied by a further marked betterment in the mid-position.

**redictions**

For 1978-79 current predictions indicate that any further improvement is likely to be modest. Much will depend on worldwide economic trends and upon U.K. economic climate.

At the end of the AGM next month, Lord Abernethy is to be elected chairman, and will be succeeded by Mr. John Mayhew-Sanders, who will combine that with the role of managing director of executive, Lord Abernethy remains on the Board and will appoint the company's first chairman, Mr. Mayhew-Sanders says that the group must change quite significantly and he thinks it will

### DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding dividend	Total last year	Total this year
John Brown and Co. Int. 1.00	Apr. 6	0.93	1.42	1.38	1.53
CGSB	Mar. 6	0.33	—	1.55	—
Wm. Cook	Apr. 28	0.24	—	0.48	—
Excelsior Jewellery	Mar. 17	0.30	—	1.10	—
Gold Fields	Mar. 28	1.1	—	3.2	—
Henderson-Kenton	Mar. 1	1.1	—	1.4	—
IOM Steam Packet	Mar. 1	1.1	—	1.4	—
Olympia (Redacre)	Apr. 25	1.4	1.54	—	—

Dividends shown pence per share net except where otherwise stated. \* Equivalent after allowing for scrip issue. † Increased to reduce disparity with final. ‡ SA cents throughout.

do so over the next two to three years.

The effort on machine tools should produce significant results he says but the directors are looking also outside the group's existing areas of activity. We are convinced we have the muscle to do so. There is no reason why a strong company should not broaden itself."

On the possible investment in machine tools he says "We are talking in millions."

The company feels its engineers and designers already have the basis of a new family of machine tools, which will be the basis of very good business for 15 years or more ahead."

The group is in credit with its bankers and expects to end the year with no net overdraft.

On dividends Mr. Mayhew-Sanders states that shareholders deserve more and personally feels that cover need be no more than two and a half to five times.

**See Lex**

**Hume tops £1m. so far — sees peak**

**NET REVENUE** of Hume Holdings rose from £0.88m. to £1.17m. in the half year to December 31, 1977, before tax of £0.47m. against £0.33m.

Earnings per share (cum tax credit) are given at 3.67p (2.82p) and fully diluted at 3.45p (2.82p). Directors are confident that distributable revenue will fulfil 1977 forecast of an increase over £1m.

The group is to sell a freehold and a long leasehold property, which will yield a net surplus over cost to the group of £1.09m. After provision for capital gains tax and repayment of fixed interest loans, the net proceeds will be about £1.0m.

As already announced, the interim dividend per 25p "A" share is lifted from 0.97p to 1.48p, payable on April 13. A 2.72p final was paid last year.

The company is a member of a consortium currently trying to bid for Harcos Investment Trust.

**Glanfield Lawrence at £86,000**

Motor vehicle distributors and engineers Glanfield Lawrence advanced taxable earnings from £25,778 to £30,128 on turnover up to £25,778 for the year to October 2, 1977.

With the heavy costs of reorganisation over and an upturn in sales of cars and commercial vehicles, the company is expected to anticipate the current year's trading will show improved results.

Stated earnings per 25p share were 1.1p (1.4p) and the net dividend of £1.1p (1.4p) leaving net profit at £28,555 (£26,507). After extraordinary items the attributable surplus emerged lower at £20,731 (£20,735).

**Commercial Properties**

After debenture interest of £7,000 compared with £5,108 pre-tax profit of Commercial Properties (a close company) increased from £40,893 to £43,333 in the six months to 30.9.1977 on turnover of £0.63m. against £0.55m.

The result is before tax of £22,000 (£20,500) and extraordinary items of £21,202 (£18,806). Profit for all 1976 totalled £416,317.

### First half rise at Excalibur

FOR THE half year to October 31, 1977, pre-tax profits of Excalibur Jewellery increased from £322,053 to £470,218, on higher turnover of £2,588m. against £2.2m.

Tax took £244,513 (£198,868) leaving stated earnings up from 1.36p to 1.53p per share. The interim dividend is raised to 0.2644p (0.2358p) net—last year's 0.2644p (0.2358p) paid from £583,000 profit.

**Decision on Barrow Hepburn**

A DECISION is expected early next week on whether a High Court action to stop the National Enterprise Board making a £2m. grant to Barrow Hepburn, the leather tanning group, can go ahead.

After a two-day private hearing, Mr. Justice Forbes reserved judgment on the Board's application to strike out the action launched last year by 16 other tanning companies, who object to the grant being made.

The file is expected to give his decision on Tuesday.

**Recovery at Midhurst Whites**

Recovery from a pre-tax loss of £54,745 to a profit of £2,215 was made by Midhurst Whites Holdings for the half-year to September 30, 1977. Net result, before tax, was marginally ahead at £115,000, against £107,000, and sales of the antique business improved by £15,000 to £50,000.

No sales were attributed to the brick-making business, for the first half compared with £20,000 last time. As known this subsidiary was sold for £214,000 cash and the proceeds are being used to reduce the company's borrowings.

Midway profit includes £33,000 in respect of an overprovision and a further surplus of £12,000 will be included in the accounts, the directors say.

A professional valuation on January 25, 1978, of the company's principal property, the long leasehold interest at Ebury Gate, gave a figure of £5,950, compared with a book value at March 31, 1977, of £4,2m.

For 1976-77 full-time loss was £82,000. The last interim dividend was paid for 1974-75 when there was an interim of 0.41p net per 10p share and losses amounted to £0.15m.

**Warwick Eng. falls into deficit**

A loss in the metallurgical division caused Warwick Engineering Investments to fall from a taxable profit of £211,000 to a £69,000 loss in the six months to September 30, 1977. Group turnover was better at £3.1m. against £2.6m.

The historical problems in the metallurgical division substantially increased during the 1976 summer and the division produced a first half trading loss of

### Henderson Kenton declines

REPORTING PRE-TAX profits almost halved from £489,000 to £233,000 on turnover up £0.8m. to £3.4m. for the six months to September 30, 1977, the directors of retail furniture Henderson-Kenton warn that the full year surplus is likely to be appreciably lower than the previous year's £1,41m.

They report that the upturn in sales in early September proved to be short-lived and although the December quarter showed the expected seasonal improvement, turnover was disappointing compared with the particularly good figures in the same quarter of 1976, prior to the mini-budget.

However, the 1978 January sales have been excellent with figures for the four weeks since Christmas substantially exceeding last year's.

In 1978-79, the group is strongly placed to meet the challenges of the future, the directors say, and the company's expansion is planned with a number of branch openings envisaged during the year.

Tax for the half year took £82,000 (£244,000) and earnings are shown to have dropped from 4p to 1p 20p share. The interim dividend is maintained as 1p net—last year's final was 1.19p net.

**comment**

Henderson-Kenton had forecast lower interim profits, but the actual results showing a 73 per cent. drop at the operating level (stripping out exceptional items) were much worse than expected. A fall in volume and pressure on margins are the factors behind the setback. The turnover figure up by 8 per cent. but that is probably below the level of furniture price inflation over the 12 months. Add into the equation a 10 per cent. increase in selling area and the drop in volume from existing stores is around eighth. The second half is shaping up better. The January "sales" are well up on last year's orders, have roughly doubled to £2.2m. for the first two months of the year will show a buoyant trend if the second half is going to equal the comparable 11m. operating profit. The directors still talk of doubling the turnover when the year is over, assuming that profits recovered sufficiently to justify it, but even so the yield of 4.7 at 73p looks a bit vulnerable in the short term.

**Manson Finance**

On group revenue up to £7,000,000, the profit of Manson Finance Trust for the six months to October 31, 1977, increased £90,000 to £230,000, against £140,000.

After tax of £134,000 (£119,000) earnings per 20p share are stated at 2.1p against 1.4p.

The interim dividend is lifted from 1p to 1.5p net per share. A final of 1.75p was paid last year on total profit of £429,779.

Mr. Vernon points out that the only difference between the accounts of the group is that Hindson Print Group has been treated as a subsidiary for the third quarter, where previously it was an associated company.

With stock appreciation and other taxation reliefs, the actual amount of tax payable for the full year should be very considerably less than the £559,000 now reported, he adds.

**comment**

Ferguson Industrial's third quarter performance follows closely the pattern of the 1977 and nine-month trading profits are 40 per cent. higher. Against the background of the depressed construction industry, the still important building supplies division did well also given a boost to Hindson Print now included as a subsidiary. The £0.94m. rights issue and lower interest rates has

checked the rise in borrowing costs. For the full year profits are still on target for about £1.5m. for a prospective p/e, on average capital of 8.5 where the yield is 8.9 per cent. at 102p.

**CGSB jumps to £0.33m.**

TAXABLE EARNINGS of £332,037, against £184,000, are reported by motor engineers and distributors CGSB Holdings for the year to September 30, 1977. Sales were £2,44m. ahead at £12.7m.

At mid-term, when profit was up from £88,600 to £117,900, the directors said that Leyland vehicle availability was now excellent and they expected good results for the second half.

Stated earnings per 10p share were 3.7p (2.2p) for the full year and the net total dividend is lifted to 4.2p (2.75p) with a final of 1.0248p.

Tax took £173,213 (£91,132) leaving a net balance of £158,824 (£26,865).

The net total dividend is raised to 4.275p (4p) with a final of 2.375p.

**Inch Kenneth to transfer residence**

Inch Kenneth Kajang Rubber has obtained Treasury consent to transfer its residence to Malaysia but the change will not make its shares eligible for the investment currency premium.

IKKR applied to transfer its residence following a request from shareholders outside the U.K. representing about 65 per cent. of the issued share capital. The transfer will necessitate shareholders' consent to alteration of the Articles of Association and an EGM will be called for this purpose before mid-April.

**Olympia Redacre at £0.22m.**

Corduroy manufacturers, dyers and finishers Olympia Redacre, a close company, lifted taxable profits from £160,216 to a record £222,129 for all of 1977, on turnover of £2.71m. compared with £2.7m.

Stated earnings per 20p share are better at 5.25p (3.94p) and the dividend is stepped up from 1.4p to 1.54p net.

After tax of £116,509 (£81,406), net profits increased to £103,229 against £78,810.

**Hales Props. over £0.13m.**

For the six months to September 30, 1977, taxable earnings of Hales Properties rose from

### UNIT TRUSTS

## Schlesingers' plan for multiple payments

Anyone who derives a substantial part of their income from investments has three things to worry about. First will income be secure? Second, will their income grow to allow for the effects of inflation? And third, can it be arranged to arrive in a fairly regular stream?

The third of these problems, in particular, that Schlesinger Trust Managers have been applying themselves recently: and the outcome is their Regular Income Scheme.

This represents a refinement upon the idea pioneered by Arbutnot, under which several trusts are marketed as a package, and the investor is offered a choice of a larger number of distributions. Schlesinger's new scheme combines its Extra Income Trust (now yielding 9.5 per cent.) and the third of these problems, in particular, that Schlesinger Trust Managers have been applying themselves recently: and the outcome is their Regular Income Scheme.

Savings schemes providing unit trust investment by way of a life assurance link are on offer this week by M and G's top-performing Recovery Fund (minimum investment £1,000).

THIRD QUARTER profits of £0.5m. against £0.32m. enabled Ferguson Industrial Holdings to expand its pre-tax figure for the year to £1.5m. from £1.2m. in 1977, from £0.79m. to £1.23m., on sales ahead £0.72m. at £30.47m.

The final quarter is going well, states Mr. D. S. Vernon, the chairman, and the group now has a buoyant trend if the second half is going to equal the comparable 11m. operating profit. The directors still talk of doubling the turnover when the year is over, assuming that profits recovered sufficiently to justify it, but even so the yield of 4.7 at 73p looks a bit vulnerable in the short term.

For the whole of the previous year, there was a surplus of £1,000, and dividends totalled £428p net per 25p share—an interim of 2.1p has already been paid in respect of the current year.

The chairman reports that the first half upturn has been continued in the third quarter and a divisional breakdown for the year shows a 70 per cent. increase in 31 per cent. of profits from builders' merchants, 12 per cent. and 20 per cent. from engineers' merchants, 9 per cent. and 11 per cent. from the building materials division, and 13 per cent. from printing.

Mr. Vernon points out that the only difference between the accounts of the group is that Hindson Print Group has been treated as a subsidiary for the third quarter, where previously it was an associated company.

With stock appreciation and other taxation reliefs, the actual amount of tax payable for the full year should be very considerably less than the £559,000 now reported, he adds.

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### MINING NEWS

## CFSA profits on the rising trail

BY KENNETH MARSTON, MINING EDITOR

THE 49 per cent.-owned Gold Fields of South Africa subsidiary of London's Consolidated Gold Fields has lifted its net profits for the half-year to December 31 to £20.3m. (£12m.) from £15.7m. a year ago; the total for the previous full year to June 30 was £21.7m. The latest interim dividend, however, is unchanged at 50 cents (29.7p). The 1976-77 total was 110 cents.

A feature of the latest figures is the sharp recovery in shareholding profits to £37m. compared with £1m. for the full year to last June. Investment income has also moved ahead amounting to £17m. in 1977-78, in the first half of 1976-77.

The recovery in GFSA fortunes is in line with that seen in both the price of gold and in the value of the South African gold shares. Higher gold mining dividend income will be continuing to flow through to the accounts of this holding company, and providing the buoyant price stays around its current high levels, should its second half results show low.

**NEW LIFE BUSINESS**

**City of Westminster shows marked rise**

City of Westminster Assurance, the U.K. life subsidiary of the U.S.-based Sentry Insurance Group, reports a marked increase in business for 1977. New annual premiums jumped by 36 per cent. to £247,000 from £180,000 in 1976, while single premiums rose by 47 per cent. to £2.3m. from £1.5m. The growth occurred across the whole spectrum of activity.

Besides having increased premium income from conventional and unit-linked contracts, the company experienced substantial growth in both self-employed and self-employed directors pension business. There was also a significant rise in the amount of protection term assurance business written, especially the five year renewable term contract, which accounted for more than £1m. in sums assured during 1977, a 21 per cent. rise.

Mr. Peter Connor, actuary and general manager, stated that the company was getting business from an increasing number of outlets and its decision to accept business only from brokers had been fully justified by these results.

**GENERAL INV. AND TRUSTEES**

A two year unsecured loan facility of £1m. for General Investors and Trustees has been arranged with Manufacturers Hanover Trust Company. For the first 12 months it will bear an interest rate of 7½ per cent.

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**Inch Kenneth to transfer residence**

Inch Kenneth Kajang Rubber has obtained Treasury consent to transfer its residence to Malaysia but the change will not make its shares eligible for the investment currency premium.

IKKR applied to transfer its residence following a request from shareholders outside the U.K. representing about 65 per cent. of the issued share capital. The transfer will necessitate shareholders' consent to alteration of the Articles of Association and an EGM will be called for this purpose before mid-April.

**Olympia Redacre at £0.22m.**

Corduroy manufacturers, dyers and finishers Olympia Redacre, a close company, lifted taxable profits from £160,216 to a record £222,129 for all of 1977, on turnover of £2.71m. compared with £2.7m.

Stated earnings per 20p share are better at 5.25p (3.94p) and the dividend is stepped up from 1.4p to 1.54p net.

After tax of £116,509 (£81,406), net profits increased to £103,229 against £78,810.

**Hales Props. over £0.13m.**

For the six months to September 30, 1977, taxable earnings of Hales Properties rose from

### MAURITANIA'S IRON ORE LOAN

The World Bank is expected to grant Mauritania a \$50m. loan to help finance a \$500m. project designed to boost production of iron ore. The project involves the exploitation of iron ore deposits on a site 40 kilometres from the present mining centre of Zouerate, writes Francis Chiles.

Zouerate has been attacked twice in the past 12 months by guerrillas from the Polisario Front who are claiming their rights to the nearby ex-Spanish Sahara, appropriated in 1976 between Morocco and Mauritania and which lies in the north and west of Zouerate.

The railway which carries the iron ore from Zouerate to the port of Nouadhibou on the Atlantic has been attacked so often in recent months that the movement of iron ore trains has been severely hampered and stocks of ore are ready for export at Nouadhibou are understood to be very low.

**NEW LIFE BUSINESS**

**City of Westminster shows marked rise**

City of Westminster Assurance, the U.K. life subsidiary of the U.S.-based Sentry Insurance Group, reports a marked increase in business for 1977. New annual premiums jumped by 36 per cent. to £247,000 from £180,000 in 1976, while single premiums rose by 47 per cent. to £2.3m. from £1.5m. The growth occurred across the whole spectrum of activity.

Besides having increased premium income from conventional and unit-linked contracts, the







## WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

## Decline checked: index up 0.78

BY OUR WALL STREET CORRESPONDENT

LITTLE CHANGE was recorded on Wall Street today, when the market was helped by better than expected money supply figures and strong speculative activity which prevented a further sharp decline in stock prices.

After rallying 2.34 to 765.68, the Dow Jones Industrial Average finished 0.78 up at 764.12, reducing its loss on the week to 12.82. The NYSE All Common Index lost 1 cent to 449.06, making a loss of 67 cents on the week, while the NASDAQ Composite Index advanced 0.78 to 725.40, reducing its loss on the week to 5.07.

Trading volume decreased 567,000 shares to 17.6 million.

The U.S. Money Supply (M-1) rose about \$800m. in the latest reporting week. A much sharper rise had been feared.

The modest rise was a further indication that no change is likely in the Fed's monetary policy over the near term.

Another helpful factor was

some firming of the dollar in Europe.

Schultz gained \$1 at \$13. Fibreboard \$1 at \$161, Marshall Field \$1 at \$31, and Verex \$1 at \$27.

Exxon added \$1 at \$43.

The American 52 Market Value Index put on 0.22 to 120.84, reducing its loss on the week to 0.99.

## OTHER MARKETS

## Canada again lower

The decline continued in the moderate trading of Canadian Stock Markets yesterday.

The Toronto Composite Index lost 4.1 to 1,000.2. Metals and Minerals 1.9 to 808.7, Golds 16.2 to 1,368.5. Oil and Gas 11.2 to 1,333.0 and Banks 0.57 to 222.7.

But Utilities firmed 0.08 to 100.73 and Papers suffered 0.18 to 91.33.

PARIS—Little changed in quiet trading.

Gold-linked 4.3 per cent Government Loan gained Fr.7 to 78.50.

AMSTERDAM—Prices fell on lack of interest.

KLM, however, rose Fls.160 to 1,333.0.

## FRIDAY'S ACTIVE STOCKS

Stock	Change	Price
Fiberboard	+0.01	13.00
Schultz	+0.01	13.00
Exxon	+0.01	43.00
Marshall Field	+0.01	31.00
Verex	+0.01	27.00
Exxon	+0.01	43.00
Marshall Field	+0.01	31.00
Verex	+0.01	27.00
Exxon	+0.01	43.00
Marshall Field	+0.01	31.00
Verex	+0.01	27.00

## Indices

## NEW YORK—DOW JONES

	1977-78						1977-78		Since completion	
	Jan. 27	Jan. 26	Jan. 25	Jan. 24	Jan. 23	Jan. 20	High	Low	High	Low
Industrial	784.12	768.54	772.44	771.57	770.76	776.94	889.75	763.84	111.17	41.22
Home Equip.	88.37	83.56	85.55	89.54	88.56	89.58	95.67	85.53	27.89	20.183
Transport	200.71	229.58	211.45	210.26	210.51	210.75	246.54	(281)176	279.38	15.25
Utility	104.84	104.14	105.56	105.75	106.26	106.55	118.57	104.84	155.22	10.56
Trading and Order's	17.60	15.60	18.60	16.60	19.60	7.66	(22.5)	(27)117	(30)46	(32)46











Aus. Cons. Minerals 10  
B.P. 599 South 7  
Berunda 11  
Lib. Supp. 5910  
Consumer Gals 10514-4  
S.A. 5918  
Haw Par 25-C  
Motal Ek. 1076  
N. S. 5918  
Aust. Resg. New  
Meridian Bk. S.A.J. 117-C  
Pera Oil 730  
Dance 5915  
Refining Coconut 50  
Ethyl. 5915  
Thames Gas 6124-40  
Texas Hides 123-4  
Tongue Sugar 230  
Vij Continental 2134  
Wireless Transmission 1202  
Winelcock Margen A 3  
Wholesale Martine B 410-A

General Cargo 10  
G.R.A. Pres. 144 14 13%  
Mid-Kent Water 130-75  
Mowden 143 41-25  
M.W. Containers 73 75  
Morris Sea Agents  
O'Brien Brewery 55 55  
Ordnance Stores  
Queen Street Warehouse A 1  
Raffles Hotel Warehouse 2  
Victoria de Costa 70

JANUARY 25

Brown Train 1st Stn. M.L.N. 64  
Gton J.K. 22 30  
N.W. Compagny 79  
N.W. Compagny Parent 3  
Shedward W.P. K. 2280  
1st Cont. 6  
Town and Central Depots 620C  
Wairakee Press. Alameda 230  
Wholesale Lintette Temporary Sur

JANUARY 24

Alliance Oil Drevs. 15  
Amsoil Pet. 590 3  
Asiac Transp. 110  
Asiacs-Mangarape 216-30  
B.P. 590  
Chaco-Brown Iron 230-5  
Clairmont 32  
Burroughs James 113  
Clairmont 32  
David Miller Oil Refrwy 35  
Deere's Pigs A 174 172

**RULE 163 (2) (a)**

Applications granted for specific  
bargains in securities not listed  
on any Stock Exchange.

**JANUARY 27**

Arbour Court Inn., 94, 95;  
Cambridge Instrument Co.  
Carnegie Brewery 178 178  
Cedar Mids., 51, 5  
Chapman & Sons, 173  
Delaney (Hdgs.), 4  
Dickewell (Hdgs.), 4 3

**JANUARY 28**

Clear Midg.  
Esplanade Waterworks 4 9 m  
Fazbourne  
Gask (Ingenieur), 52 49  
Heintze Brewery 4.20c NonCum.A  
Larsen & Son, 125 125  
Heintze Brewery 4.20c NonCum.A  
Winstou 93  
US permission of the Stock E  
Council

**+EXCHANGES**

# steady

were allotted. Next week a further £300m. will be on offer replacing maturities of £450m.

Day-to-day credit was in very short supply once again, but discount houses were more willing to sell Treasury bills to the authorities, since it became clear that M.L.R. would not be reduced this week. The Bank of England bought an exceptionally large amount of Treasury bills from the houses, and a moderate number of local authority bills. A very large amount was also lent to five of the houses, over the week-end at M.L.R. The help by the authorities was probably over-

done, and banks are expected to carry over surplus balances, although day-to-day interest rates failed to indicate this. Discount houses paid 6-6½ per cent on funds throughout.

Banks brought forward balances, but the market was faced with a very substantial take-up of Treasury bills. Finance, a fairly large expenditure, revenue payments over Christmas, disbursements, a large rise in the notes and coinage, and repayment of the nationally large amount lent to the market on Thursday.

Local Authority deposits	Local Auth. negotiable loans	Finance Home Deposits	Company Deposits	Discount market deposits	Treasury Bills \$	High-Rate Bank \$	Per cent
6 1/2-6 1/2	—	—	7 1/4	6 5/8	—	—	—
6 1/2	—	8 1/4	7	6 1/2	—	—	—
6 1/2-6 1/2	6 1/4-6 1/2	6 1/4	6 1/2	6	5 1/2	—	6 1/4-6 1/2
—	6 1/2-6 1/2	6 1/4	—	5 7/8-6	—	—	6 1/2-6 1/2
6 1/2-6 1/2	6 1/2-6 1/2	6 1/4	6 1/2	5 7/8-6	5 1/2-5 1/2	—	6 1/2-6 1/2
6 1/2-6 1/2	6 1/2-6 1/2	7 1/4	—	—	—	—	6 1/2-6 1/2
7-7 1/4	7 1/4-7 1/2	7 1/2	—	—	—	—	—
6 1/2-6 1/2	—	7 1/4	—	—	—	—	—

shown across days' notice, others seven days' fixed. \* Longer-term local authority bills for one month, 10-12 1/2 per cent; five years 10-10 1/2 per cent. † Bank bills raised by clearing rate for four-month bank bills 6 1/2-6 1/2 per cent; four-month trade bills 6 1/2-6 1/2 per cent; Treasury bills 5 1/2-6 1/2 per cent; two-month 5 1/2-5 1/2 per cent; one-month 5 1/2-6 1/2 per cent; and bank bills 6 1/2 per cent; two-month 6 1/4 per cent; and also three-month 6 1/2 per cent per cent. Issued by the Finance House Association 6 1/2 per cent from January 1, 1938.

at seven days' notice) 5 per cent. Clearing Bank Rates for lending 6 1/2 per cent.

## BULLION

The pound's trade-weighted index on Bank of England figures, was unchanged at 66.5 after standing at 66.5 at noon and 66.4 in early trading. The closing calculation probably did not take account of sterling's late fall here.

Forward sterling was easier on doubts about the future "end in U.K. interest rates after MLR was unchanged this week. The three-month premium over the dollar narrowed to 0.23 cent from 0.40 cent.

Lack of selling interest pushed gold up \$1 to \$176-176½ in quiet

## FOREIGN EXCHANGES

	Jan. 27	Bank's Rate	10% Dys.	Market Re- Spreed.
New York	614.1	544.0	155.60	1.60
Montreal	712	2,150.0	1,650.0	1.16
Amsterdam	412	4.40	4.40	0.00
Brussels	712	11.50	50.50	0.50
Copenhagen	9	11.17	11.22	0.11
Frankfurt	5	4.15	4.15	0.00
Lisbon	11	11.50	11.50	0.00
Madrid	8	168.00	167.00	0.70
Milano	111	1,584	1,385	1.55
Osaka	6	10.10	10.25	0.10
Paris	512	25.00	25.00	0.00
Rome	512	25.00	25.00	0.00
Stockholm	11	11.17	11.22	0.11
Tokyo	412	405.75	405.75	0.00
Vienna	512	45.45	45.45	0.00
Zurich	112	5.54	5.58	0.53

\* Rates given are for convertibility

Notes				
Argentina, 1976-1980	3.0	Argentina, 1981-1985	3.0	
Australia, 1976-1980	1.75-1.75	Australia, 1981-1985	1.75	
Belgium, 1976-1980	4.15-4.15	Belgium, 1981-1985	4.15	
Canada, 1976-1980	7.75-7.75	Canada, 1981-1985	7.75	
France, 1976-1980	6.25-6.25	France, 1981-1985	6.25	
Germany, 1976-1980	5.25-5.25	Germany, 1981-1985	5.25	
Italy, 1976-1980	5.25-5.25	Italy, 1981-1985	5.25	
Japan, 1976-1980	1.50-1.50	Japan, 1981-1985	1.50	
Netherlands, 1976-1980	5.25-5.25	Netherlands, 1981-1985	5.25	
Spain, 1976-1980	5.25-5.25	Spain, 1981-1985	5.25	
Sweden, 1976-1980	5.25-5.25	Sweden, 1981-1985	5.25	
Switzerland, 1976-1980	5.25-5.25	Switzerland, 1981-1985	5.25	
U.K., 1976-1980	5.25-5.25	U.K., 1981-1985	5.25	
U.S., 1976-1980	5.25-5.25	U.S., 1981-1985	5.25	
U.S. cents, 1976-1980	5.25-5.25	U.S. cents, 1981-1985	5.25	

Rate given for Argentina is a fixed rate.

FORWARD RATES			
	One month	Three months	
New York 0.56pm-0.56cd	0.52-54		
Montreal 0.56pm-0.56cd	0.52-54		
Amsterdam 1.00pm-1.00cd	0.52-54		
Brussels... 1.00pm-1.00cd	0.52-54		
Frankfurt 1.15-1.15	0.52-54		
London 1.15-1.15	0.52-54		
Lisbon... 0.50-0.50	0.52-54		
Madrid... 1.10-1.10	0.52-54		
Milan... 1.10-1.10	0.52-54		
Paris... 0.50-0.50	0.52-54		
Stockholm 1.15-1.15	0.52-54		
Vienna... 1.10-1.10	0.52-54		
Zurich... 1.10-1.10	0.52-54		

12-month forward dollar 0.48-0.48  
12-month 0.48-0.48

Statistics provided  
from STREAM

Chester

Season crops	Flat yield	Red. yield	Premium†		Income		Degr.
			Current	Range‡	Eq.‡	Conv.‡	Diff.‡
50	5.3	4.2					
79	9.3	9.2	- 9.7	-10 to -3	14.1	8.8	- 4.7
78	6.7	4.8	- 6.9	- 8 to -2	14.8	13.9	- 0.6
87	8.6	8.2	14.4	12 to 30	0.0	84.2	75.4
92	8.3	3.7	- 4.4	- 7 to 27	23.4	61.1	168.3
79	6.7	6.8	- 4.8	-11 to 0	11.5	6.1	- 5.3
84	12.6	12.6	48.5	40 to 66	31.5	52.2	21.4
78	9.3	9.0	- 9.5	-12 to -2	4.7	0.0	- 3.8
80	8.4	8.2	9.4	- 9 to 9	10.9	11.8	1.2
79	3.3	0.1	-10.1	-15 to -5	14.6	6.4	- 3.3
82	11.2	8.9	3.8	2 to 10	47.5	47.3	- 0.1

	6.0	2.1	10.6	4	10	18	37.3	55.3	11.8	-
'79	8.1	12.0	57.2	17	10	19	12.0	11.0	-1.4	+1
'83	10.0	9.9	33.2	22	10	37	28.5	40.1	14.2	-

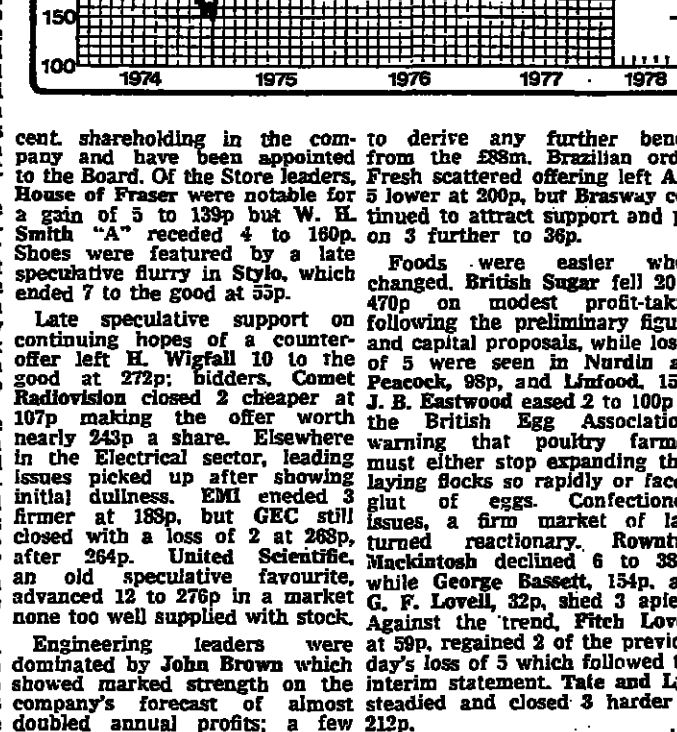
convertible. The extra cost of investment in convertible expressed as per cent of nominal value of ordinary shares into which £100 nominal of convertible stock is converted. Ordinary shares are greater than income on £100 nominal of convertible or is covered by interest and dividends on £100 nominal of convertible stock. Income on £100 nominal of convertible stock is less than interest and dividends on £100 nominal of convertible stock. Income on £100 nominal of convertible stock is equal to interest and dividends on £100 nominal of convertible stock.



## Poor week for equities ends with slight technical rally

### Index up 1.7 at 477.5 with help of J. Brown—Gilts erratic

atured good and another	Boosey & Hawkes Brammer (H.) Fenner J. H. I. Malm Monument Sec. Bluemel Bros.	INDUSTRIALS (10) Norton & W Russell (A) Sawyer & S Whitt (G.) Wood (A.)	MOTORS (11)
im- proves at the e now owing mnce.	British Funds Corporations, Dam, and Foreign Industrials Financial and Property Oils Plantations Recent Issues	RISE	
337P -and ore to week Con	Totals		



10 a.m. 472.5	11 a.m. 473.0	Noon 474.5	1 p.m. 476.7
2 p.m. 476.5	3 p.m. 478.0		
Latest trend 474-480			
* Based on 22 Dec 1978			
Rate 100 Cans 194 (10/78) Fixed Int. 182.9 (10/78)			
NIB-223			
Cable 100 Cans 194 (10/78) Fixed Int. 182.9 (10/78)			
NIB-223			
Kilmas 12.9/25 SE Activity July-Dec 1978			

HIGHS AND LOWS				S.E. ACTIVITY			
	1977/78		Since Completion		Jan. 57	Jan. 73	
	High	Low	High	Low			
Govt. Secs.	79.85 (60/99)	60.40 (41/1)	127.4 (81.38)	49.18 (10/78)	-Duty in Fedgs. in Indus. Speculative	160.0 173.8 39.1	193.9 210.4 158.5
Fixed Incl.	81.27 (61/78)	60.90 (41/1)	150.0 (21.47)	50.53 (13/78)	24.5 in Ind Gilt-Bonds in Indus. Speculative	36.1 193.8 25.7	56.8 198.6 139.0
Intl. Incl.	549.2 (14/9)	327.5 (12/1)	549.2 (21/7)	49.4 (10/78)		131.7	379.5
Govt. Fincs.	174 (16/78)	96.1 (11/2)	245.5 (22/78)	45.5 (10/78)		131.7	133.3

# NEW HIGHS AND LOWS FOR 1977/78

The following securities posted in the Share Information Service yesterday new high or low for 1977-78.

## NEW HIGHS (33)

FOREIGN BONDS (1)	Japan Gov. 15-18
BUILDINGS (1)	Bancil & Lott
DRAPERY & STORES (2)	Crestmont Midland Educational
ELECTRICALS (2)	Best & May Wigrald (H.)
ENGINEERING (3)	Young Austen Yno.
FOODS (1)	Strawson Brown (J.)
HOTELS (1)	ocis (J.)
INDUSTRIALS (10)	Sarvo, A. Boscher & Hawkes Brammer Fenner (J. H.) Haima Monument Sales MOTOS (1)

## NEW LOWS (27)

BRITISH FUNDS (2)	Eschequer 10.50 Treasury 10.50
AMERICANS (1)	Ciccoro
INDUSTRIALS (1)	Monasbo Spc 12.50
SHIPPING (1)	Reardon Smith
TEXTILES (1)	Carroets Int
MINES (1)	Tara Exploration

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# RISES AND FALLS

	Yesterday	On the week
Up	Down	Same
10	43	21
3	24	29
120	66	252
34	260	225
6	13	13
3	16	13
48	33	41
2	10	41

British Funds	Up	Down	Same
Corporations, Dom. and Foreign Bonds	22	76	23
Industrials	18	204	4,480
Financial and Property	36	260	225
Oil	6	13	13
Plastics	3	16	13
Textiles	48	33	41
Recent Issues	2	10	41

Totals	226	1,035	1,269
	2,136	3,522	6,404

[illegible]



## OFFSHORE AND OVERSEAS FUNDS

[illegible]

<b>Abbey Life Assurance Co. Ltd.</b>		<b>Trustee Insurance Co. Ltd.</b>		<b>H &amp; G Group</b>		<b>Scottish Widows' Group</b>	
14 St. Peter's Churchyard, ECU	01-549111	Victoria House, Tower Pl. ECU	01-499 8031	H&G BSCR 850	01-492 498	70 St. Andrew's, Edinburgh	01-503 590
Equity Fund	164	Gth. Prov. Jan. 3	72.9	Perm. Pension	200.1	Inv. Prov. Series 1	16.2
Equity Acc. Fund	170	Eagle Star Equity/Midland Ass.		Corp. Deposit	111.1	Inv. Prov. Series 2	16.4
Equity Bond Fund	172	1, Threadneedle St. WCU	01-588 1232	Family Trust	17.2	Inv. Prov. Series 3	16.6
Equity Bond Fund	172	Equity & Law Life Ass. Co. Ltd.		Family Trust	17.2	Inv. Prov. Series 4	16.8
Equity Bond Fund	172	American Road, High Wycombe	0494 3377	Family Trust	17.2	Inv. Prov. Series 5	17.0
Equity Bond Fund	172	Equity & Law Life Ass. Co. Ltd.		Family Trust	17.2	Inv. Prov. Series 6	17.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 7	17.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 8	17.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 9	17.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 10	18.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 11	18.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 12	18.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 13	18.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 14	18.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 15	19.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 16	19.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 17	19.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 18	19.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 19	19.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 20	20.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 21	20.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 22	20.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 23	20.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 24	20.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 25	21.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 26	21.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 27	21.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 28	21.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 29	21.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 30	22.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 31	22.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 32	22.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 33	22.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 34	22.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 35	23.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 36	23.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 37	23.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 38	23.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 39	23.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 40	24.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 41	24.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 42	24.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 43	24.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 44	24.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 45	25.0
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 46	25.2
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 47	25.4
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 48	25.6
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 49	25.8
Equity Bond Fund	172	Portsmouth, Hants		Family Trust	17.2	Inv. Prov. Series 50	26.0
Equity Bond Fund</							

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[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]



## FT SHARE INFORMATION SERVICE

### ENGINEERING—Continued

450	Granges 5.100	780	-50	-	-	-
28	Greenbank 10p	52	-2	rdh1 52	2.8	4
65	Green's Econ	78		4.30	2.9	8

71	270	51	56
72	270	51	56
73	270	51	56
74	270	51	56
75	270	51	56
76	270	51	56
77	270	51	56
78	270	51	56
79	270	51	56
80	270	51	56
81	270	51	56
82	270	51	56
83	270	51	56
84	270	51	56
85	270	51	56
86	270	51	56
87	270	51	56
88	270	51	56
89	270	51	56
90	270	51	56
91	270	51	56
92	270	51	56
93	270	51	56
94	270	51	56
95	270	51	56
96	270	51	56
97	270	51	56
98	270	51	56
99	270	51	56
100	270	51	56

(Miscel)

15	Lyndale 100p	20	1.33	0	10.31
48	N.I. Holdings	90	1.92	0	10.28
13	Mangan Bronze	97	-3	1.88	0
51	Mountainair 3p	154	-1	1.95	0
52	Blackie Bros	35	0	1.71	7.55
58	Blackie Bros	15	0	4	4.01
59	Blackie Bros	36	0	mh.00	0
60	Blackie Bros	41	-21	0.99	0
61	Blackie Bros	65	-3	1.12	6.93
62	Blackie Bros	109	-1	0.67	4.61
63	Blackie Bros	71	-1	1.16	2.25
64	Blackie Bros	42	-1	1.84	2.10
65	Blackie Bros	70	-1	1.24	5.43
66	Blackie Bros	30	0	1.23	2.27
67	Blackie Bros	30	0	1.23	2.27
68	Blackie Bros	30	0	1.23	2.27
69	Blackie Bros	30	0	1.23	2.27
70	Blackie Bros	30	0	1.23	2.27
71	Blackie Bros	30	0	1.23	2.27
72	Blackie Bros	30	0	1.23	2.27
73	Blackie Bros	30	0	1.23	2.27
74	Blackie Bros	30	0	1.23	2.27
75	Blackie Bros	30	0	1.23	2.27
76	Blackie Bros	30	0	1.23	2.27
77	Blackie Bros	30	0	1.23	2.27
78	Blackie Bros	30	0	1.23	2.27
79	Blackie Bros	30	0	1.23	2.27
80	Blackie Bros	30	0	1.23	2.27
81	Blackie Bros	30	0	1.23	2.27
82	Blackie Bros	30	0	1.23	2.27
83	Blackie Bros	30	0	1.23	2.27
84	Blackie Bros	30	0	1.23	2.27
85	Blackie Bros	30	0	1.23	2.27
86	Blackie Bros	30	0	1.23	2.27
87	Blackie Bros	30	0	1.23	2.27
88	Blackie Bros	30	0	1.23	2.27
89	Blackie Bros	30	0	1.23	2.27
90	Blackie Bros	30	0	1.23	2.27
91	Blackie Bros	30	0	1.23	2.27
92	Blackie Bros	30	0	1.23	2.27
93	Blackie Bros	30	0	1.23	2.27
94	Blackie Bros	30	0	1.23	2.27
95	Blackie Bros	30	0	1.23	2.27
96	Blackie Bros	30	0	1.23	2.27
97	Blackie Bros	30	0	1.23	2.27
98	Blackie Bros	30	0	1.23	2.27
99	Blackie Bros	30	0	1.23	2.27
100	Blackie Bros	30	0	1.23	2.27

## ELECTRICAL AND RADIO

[illegible]

26	Spooner Inds	55	2.64	6	73
40	Startrite 30p	66	3.49	3.8	80
162	Stanley Inds fl	735	18.75	37	57

45	Stone Path	100	-1	13	46
46	Stony Brook	100	0	13	47
47	Stony Hill	100	0	13	48
48	Stony Hill	100	0	13	49
49	Stony Hill	100	0	13	50
50	Stony Hill	100	0	13	51
51	Stony Hill	100	0	13	52
52	Stony Hill	100	0	13	53
53	Stony Hill	100	0	13	54
54	Stony Hill	100	0	13	55
55	Stony Hill	100	0	13	56
56	Stony Hill	100	0	13	57
57	Stony Hill	100	0	13	58
58	Stony Hill	100	0	13	59
59	Stony Hill	100	0	13	60
60	Stony Hill	100	0	13	61
61	Stony Hill	100	0	13	62
62	Stony Hill	100	0	13	63
63	Stony Hill	100	0	13	64
64	Stony Hill	100	0	13	65
65	Stony Hill	100	0	13	66
66	Stony Hill	100	0	13	67
67	Stony Hill	100	0	13	68
68	Stony Hill	100	0	13	69
69	Stony Hill	100	0	13	70
70	Stony Hill	100	0	13	71
71	Stony Hill	100	0	13	72
72	Stony Hill	100	0	13	73
73	Stony Hill	100	0	13	74
74	Stony Hill	100	0	13	75
75	Stony Hill	100	0	13	76
76	Stony Hill	100	0	13	77
77	Stony Hill	100	0	13	78
78	Stony Hill	100	0	13	79
79	Stony Hill	100	0	13	80
80	Stony Hill	100	0	13	81
81	Stony Hill	100	0	13	82
82	Stony Hill	100	0	13	83
83	Stony Hill	100	0	13	84
84	Stony Hill	100	0	13	85
85	Stony Hill	100	0	13	86
86	Stony Hill	100	0	13	87
87	Stony Hill	100	0	13	88
88	Stony Hill	100	0	13	89
89	Stony Hill	100	0	13	90
90	Stony Hill	100	0	13	91
91	Stony Hill	100	0	13	92
92	Stony Hill	100	0	13	93
93	Stony Hill	100	0	13	94
94	Stony Hill	100	0	13	95
95	Stony Hill	100	0	13	96
96	Stony Hill	100	0	13	97
97	Stony Hill	100	0	13	98
98	Stony Hill	100	0	13	99
99	Stony Hill	100	0	13	100

38	Wm. Elect. Tools	148	.....	173	7.7	1.8
93	Wolsey Hughes	190	-7	6.70	3.2	5.4
14	W. well Fdy. 10p	181 $\frac{1}{2}$	.....	12	2.9	9.9

[illegible]

145	Bishop's Stores	185	-	rd2.36	8.5	1.9
55	Do. "A" N.Y.	147	+2	rd2.36	8.5	2.4
60	Bluebird Corp	173		4.62	4.5	4.0

[illegible]

123	Kwik Save 10p...	195	126	30	40
28	Lennons Gp 10p	35	111	20	15

101	Lowell (G.P.)	32	5	18.53	2.2	6.6
102	Low (Wm.) 250p	316	-2	5.5	2.6	1.0
103	Low (Wm.) 250p	110	-1	57.69	1.4	1.0
104	Low (Wm.) 250p	110	-1	78.38	4.4	4.4
105	Low (Wm.) 250p	97	-1	17.26	3.1	2.2
106	Meat Tr. 250p	87	-1	83.06	1.0	1.0
107	Mead (A.J.)	152	-1	10.05	0.4	0.3
108	Mead (A.J.)	152	-1	10.05	0.4	0.3
109	Mead (A.J.)	152	-1	10.05	0.4	0.3
110	Mead (A.J.)	152	-1	10.05	0.4	0.3
111	Mead (A.J.)	152	-1	10.05	0.4	0.3
112	Mead (A.J.)	152	-1	10.05	0.4	0.3
113	Mead (A.J.)	152	-1	10.05	0.4	0.3
114	Mead (A.J.)	152	-1	10.05	0.4	0.3
115	Mead (A.J.)	152	-1	10.05	0.4	0.3
116	Mead (A.J.)	152	-1	10.05	0.4	0.3
117	Mead (A.J.)	152	-1	10.05	0.4	0.3
118	Mead (A.J.)	152	-1	10.05	0.4	0.3
119	Mead (A.J.)	152	-1	10.05	0.4	0.3
120	Mead (A.J.)	152	-1	10.05	0.4	0.3
121	Mead (A.J.)	152	-1	10.05	0.4	0.3
122	Mead (A.J.)	152	-1	10.05	0.4	0.3
123	Mead (A.J.)	152	-1	10.05	0.4	0.3
124	Mead (A.J.)	152	-1	10.05	0.4	0.3
125	Mead (A.J.)	152	-1	10.05	0.4	0.3
126	Mead (A.J.)	152	-1	10.05	0.4	0.3
127	Mead (A.J.)	152	-1	10.05	0.4	0.3
128	Mead (A.J.)	152	-1	10.05	0.4	0.3
129	Mead (A.J.)	152	-1	10.05	0.4	0.3
130	Mead (A.J.)	152	-1	10.05	0.4	0.3
131	Mead (A.J.)	152	-1	10.05	0.4	0.3
132	Mead (A.J.)	152	-1	10.05	0.4	0.3
133	Mead (A.J.)	152	-1	10.05	0.4	0.3
134	Mead (A.J.)	152	-1	10.05	0.4	0.3
135	Mead (A.J.)	152	-1	10.05	0.4	0.3
136	Mead (A.J.)	152	-1	10.05	0.4	0.3
137	Mead (A.J.)	152	-1	10.05	0.4	0.3
138	Mead (A.J.)	152	-1	10.05	0.4	0.3
139	Mead (A.J.)	152	-1	10.05	0.4	0.3
140	Mead (A.J.)	152	-1	10.05	0.4	0.3
141	Mead (A.J.)	152	-1	10.05	0.4	0.3
142	Mead (A.J.)	152	-1	10.05	0.4	0.3
143	Mead (A.J.)	152	-1	10.05	0.4	0.3
144	Mead (A.J.)	152	-1	10.05	0.4	0.3
145	Mead (A.J.)	152	-1	10.05	0.4	0.3
146	Mead (A.J.)	152	-1	10.05	0.4	0.3
147	Mead (A.J.)	152	-1	10.05	0.4	0.3
148	Mead (A.J.)	152	-1	10.05	0.4	0.3
149	Mead (A.J.)	152	-1	10.05	0.4	0.3
150	Mead (A.J.)	152	-1	10.05	0.4	0.3
151	Mead (A.J.)	152	-1	10.05	0.4	0.3
152	Mead (A.J.)	152	-1	10.05	0.4	0.3
153	Mead (A.J.)	152	-1	10.05	0.4	0.3
154	Mead (A.J.)	152	-1	10.05	0.4	0.3
155	Mead (A.J.)	152	-1	10.05	0.4	0.3
156	Mead (A.J.)	152	-1	10.05	0.4	0.3
157	Mead (A.J.)	152	-1	10.05	0.4	0.3

134	Abdel Isr. 100	131	-1	100.51	2	1
135	Boris I. 100	131	-1	100.51	2	1
136	Ernest Walker 100	131	-1	100.51	2	1
137	Fin. Hotels 200	77	-1	100.51	2	1
138	De Vere Hotels	169	-2	100.51	2	1
139	De Vere Hotels	169	-2	100.51	2	1
140	De Vere Hotels	169	-2	100.51	2	1
141	De Vere Hotels	169	-2	100.51	2	1
142	De Vere Hotels	169	-2	100.51	2	1
143	De Vere Hotels	169	-2	100.51	2	1
144	De Vere Hotels	169	-2	100.51	2	1
145	De Vere Hotels	169	-2	100.51	2	1
146	De Vere Hotels	169	-2	100.51	2	1
147	De Vere Hotels	169	-2	100.51	2	1
148	De Vere Hotels	169	-2	100.51	2	1
149	De Vere Hotels	169	-2	100.51	2	1
150	De Vere Hotels	169	-2	100.51	2	1
151	De Vere Hotels	169	-2	100.51	2	1
152	De Vere Hotels	169	-2	100.51	2	1
153	De Vere Hotels	169	-2	100.51	2	1
154	De Vere Hotels	169	-2	100.51	2	1
155	De Vere Hotels	169	-2	100.51	2	1
156	De Vere Hotels	169	-2	100.51	2	1
157	De Vere Hotels	169	-2	100.51	2	1

	Bernard Tempo	53	-2	12.72
	Hendriks	160		29.43
	Willems	86		25.07

[illegible]

56	1241	Driver Corp USA	126		
58	25	Poems Surg. Inc	35		
61		Drake & Co	37		

[illegible]

7	14	22	201.	98.26
14	22	201.	98.26	
22	201.	98.26		
201.	98.26			

[illegible]



**FINANCE, LAND—Continued**

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BANK OF MONTREAL									
Head Office: OMAHA, ILL.									
MINES—Continued									
CENTRAL AFRICAN									
1957-78	Stock	Price	Net	Div	Yield	Div	Yield	Div	Yield
95	Palmer R.R. Co.	119 3/4	—	—	—	—	—	—	—
96	Sheep Creek P.P.	119 3/4	—	—	—	—	—	—	—
97	Boon Co.	119 3/4	—	—	—	—	—	—	—
98	Boon Co.	119 3/4	—	—	—	—	—	—	—
99	Boon Co.	119 3/4	—	—	—	—	—	—	—
00	Boon Co.	119 3/4	—	—	—	—	—	—	—
01	Boon Co.	119 3/4	—	—	—	—	—	—	—
02	Boon Co.	119 3/4	—	—	—	—	—	—	—
03	Boon Co.	119 3/4	—	—	—	—	—	—	—
04	Boon Co.	119 3/4	—	—	—	—	—	—	—
05	Boon Co.	119 3/4	—	—	—	—	—	—	—
06	Boon Co.	119 3/4	—	—	—	—	—	—	—
07	Boon Co.	119 3/4	—	—	—	—	—	—	—
08	Boon Co.	119 3/4	—	—	—	—	—	—	—
09	Boon Co.	119 3/4	—	—	—	—	—	—	—
10	Boon Co.	119 3/4	—	—	—	—	—	—	—
11	Boon Co.	119 3/4	—	—	—	—	—	—	—
12	Boon Co.	119 3/4	—	—	—	—	—	—	—
13	Boon Co.	119 3/4	—	—	—	—	—	—	—
14	Boon Co.	119 3/4	—	—	—	—	—	—	—
15	Boon Co.	119 3/4	—	—	—	—	—	—	—
16	Boon Co.	119 3/4	—	—	—	—	—	—	—
17	Boon Co.	119 3/4	—	—	—	—	—	—	—
18	Boon Co.	119 3/4	—	—	—	—	—	—	—
19	Boon Co.	119 3/4	—	—	—	—	—	—	—
20	Boon Co.	119 3/4	—	—	—	—	—	—	—
21	Boon Co.	119 3/4	—	—	—	—	—	—	—
22	Boon Co.	119 3/4	—	—	—	—	—	—	—
23	Boon Co.	119 3/4	—	—	—	—	—	—	—
24	Boon Co.	119 3/4	—	—	—	—	—	—	—
25	Boon Co.	119 3/4	—	—	—	—	—	—	—
26	Boon Co.	119 3/4	—	—	—	—	—	—	—
27	Boon Co.	119 3/4	—	—	—	—	—	—	—
28	Boon Co.	119 3/4	—	—	—	—	—	—	—
29	Boon Co.	119 3/4	—	—	—	—	—	—	—
30	Boon Co.	119 3/4	—	—	—	—	—	—	—
31	Boon Co.	119 3/4	—	—	—	—	—	—	—
32	Boon Co.	119 3/4	—	—	—	—	—	—	—
33	Boon Co.	119 3/4	—	—	—	—	—	—	—
34	Boon Co.	119 3/4	—	—	—	—	—	—	—
35	Boon Co.	119 3/4	—	—	—	—	—	—	—
36	Boon Co.	119 3/4	—	—	—	—	—	—	—
37	Boon Co.	119 3/4	—	—	—	—	—	—	—
38	Boon Co.	119 3/4	—	—	—	—	—	—	—
39	Boon Co.	119 3/4	—	—	—	—	—	—	—
40	Boon Co.	119 3/4	—	—	—	—	—	—	—
41	Boon Co.	119 3/4	—	—	—	—	—	—	—
42	Boon Co.	119 3/4	—	—	—	—	—	—	—
43	Boon Co.	119 3/4	—	—	—	—	—	—	—
44	Boon Co.	119 3/4	—	—	—	—	—	—	—
45	Boon Co.	119 3/4	—	—	—	—	—	—	—
46	Boon Co.	119 3/4	—	—	—	—	—	—	—
47	Boon Co.	119 3/4	—	—	—	—	—	—	—
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53	Boon Co.	119 3/4	—	—	—	—	—	—	—
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56	Boon Co.	119 3/4	—	—	—	—	—	—	—
57	Boon Co.	119 3/4	—	—	—	—	—	—	—
58	Boon Co.	119 3/4	—	—	—	—	—	—	—
59	Boon Co.	119 3/4	—	—	—	—	—	—	—
60	Boon Co.	119 3/4	—	—	—	—	—	—	—
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71	Boon Co.	119 3/4	—	—	—	—	—	—	—
72	Boon Co.	119 3/4	—	—	—	—	—	—	—
73	Boon Co.	119 3/4	—	—	—	—	—	—	—
74	Boon Co.	119 3/4	—	—	—	—	—	—	—
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76	Boon Co.	119 3/4	—	—	—	—	—	—	—
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79	Boon Co.	119 3/4	—	—	—	—	—	—	—
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82	Boon Co.	119 3/4	—	—	—	—	—	—	—
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85	Boon Co.	119 3/4	—	—	—	—	—	—	—
86	Boon Co.	119 3/4	—	—	—	—	—	—	—
87	Boon Co.	119 3/4	—	—	—	—	—	—	—
88	Boon Co.	119 3/4	—	—	—	—	—	—	—
89	Boon Co.	119 3/4	—	—	—	—	—	—	—
90	Boon Co.	119 3/4	—	—	—	—	—	—	—
91	Boon Co.	119 3/4	—	—	—	—	—	—	—
92	Boon Co.	119 3/4	—	—	—	—	—	—	—
93	Boon Co.	119 3/4	—	—	—	—	—	—	—
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95	Boon Co.	119 3/4	—	—	—	—	—	—	—
96	Boon Co.	119 3/4	—	—	—	—	—	—	—
97	Boon Co.	119 3/4	—	—	—	—	—	—	—
98	Boon Co.	119 3/4	—	—	—	—	—	—	—
99	Boon Co.	119 3/4	—	—	—	—	—	—	—
00	Boon Co.	119 3/4	—	—	—	—	—	—	—
01	Boon Co.	119 3/4	—	—	—	—	—	—	—
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03	Boon Co.	119 3/4	—	—	—	—	—	—	—
04	Boon Co.	119 3/4	—	—	—	—	—	—	—
05	Boon Co.	119 3/4	—	—	—	—	—	—	—
06	Boon Co.	119 3/4	—	—	—	—	—	—	—
07	Boon Co.	119 3/4	—	—	—	—	—	—	—
08	Boon Co.	119 3/4	—	—	—	—	—	—	—
09	Boon Co.	119 3/4	—	—	—	—	—	—	—
10	Boon Co.	119 3/4	—	—	—	—	—	—	—
11	Boon Co.	119 3/4	—	—	—	—	—	—	—
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13	Boon Co.	119 3/4	—	—	—	—	—	—	—
14	Boon Co.	119 3/4	—	—	—	—	—	—	—
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17	Boon Co.	119 3/4	—	—	—	—	—	—	—
18	Boon Co.	119 3/4	—	—	—	—	—	—	—
19	Boon Co.	119 3/4	—	—	—	—	—	—	—
20	Boon Co.	119 3/4	—	—	—	—	—	—	—
21	Boon Co.	119 3/4	—	—	—	—	—	—	—
22	Boon Co.	119 3/4	—	—	—	—	—	—	—
23	Boon Co.	119 3/4	—	—	—	—	—	—	—
24	Boon Co.	119 3/4	—	—	—	—	—	—	—
25	Boon Co.	119 3/4	—	—	—	—	—	—	—
26	Boon Co.	119 3/4	—	—	—	—	—	—	—
27	Boon Co.	119 3/4	—	—	—	—	—	—	—
28	Boon Co.	119 3/4	—	—	—	—	—	—	—
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33	Boon Co.	119 3/4	—	—	—	—	—	—	—
34	Boon Co.	119 3/4	—	—	—	—	—	—	—
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36	Boon Co.	119 3/4	—	—	—	—	—	—	—
37	Boon Co.	119 3/4	—	—	—	—	—	—	—
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39	Boon Co.	119 3/4	—	—	—	—	—	—	—
40	Boon Co.	119 3/4	—	—	—	—	—	—	—
41	Boon Co.	119 3/4	—	—	—	—	—	—	—
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43	Boon Co.	119 3/4	—	—	—	—	—	—	—
44	Boon Co.	119 3/4	—	—	—	—	—	—	—
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46	Boon Co.	119 3/4	—	—	—	—	—	—	—
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48	Boon Co.	119 3/4	—	—	—	—	—	—	—
49	Boon Co.	119 3/4	—	—	—	—	—	—	—
50	Boon Co.	119 3/4	—	—	—	—	—	—	—
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## MAN OF THE WEEK

## Leading from the back bench

BY RUPERT CORNWELL

LABOUR MINISTERS in the Commons are well used to mudslinging in the ranks. But for Mr. Michael Foot the precise and slightly grating Scots tone of George Cunningham must feel like the cold metal of a pistol pressed in his back. Cunningham is, of course, the author of the now famous amendment insisting that 40 per cent. of the Scottish people must vote Yes in the promised devolution referendum. But that gesture to sabotage a Bill he hates was less revealing than the tenacity with which he had prised open Mr. Foot's crafty little ruse to try to stop the amendment coming up at all. On Wednesday the game was up and the Leader of the House knew it. He had also become the latest victim, probably the sharpest backbench operator at Westminster today.



George Cunningham, MP  
Symbol of backbenchers' independence.

Cunningham's qualities do not please everyone in that clubby little world, of which he is often scornful. His resourceful mastery of Commons procedure, his doggedness in a cause, draw admiration from fellow MPs, but rarely fondness. Perhaps it is envy of a man who has become the undisputed symbol of the tacit and growing mood of independence among backbenchers; perhaps the uncomfortable feeling that they are not doing their jobs as well as he. "George is a loner, very prickly and remote," is the sort of remark you hear. And some suggest it might be less his conscience than bitterness at seeing less able men in ministerial office that makes Cunningham act as he does.

The truth is far more subtle. It would argue that at root the obs of MP, minister and civil servant (he was in the Commonwealth Relations Office and at the Ministry of Overseas Development before entering the Commons) are not dissimilar: to get things done. And Cunningham has grasped that in a hung parliament an individual Labour MP, if he knows what he's about, can wield great influence.

He sets out his criteria as follows: "I don't believe Edmund Burke, that an MP must stand alone with his conscience. I see myself as a member of a team. Many pressures are exerted—the Parliamentary Party, the local party, individual constituents, and sometimes my conscience. You must have to work out which is most important on a particular issue."

Westminster the way he interprets these guidelines may make him sometimes seem eccentric, or just plain cussed. It is his perseverance and single-mindedness have produced a reputation as about the most constituency MP in the business.

He takes a bit of knowing. "I like him immensely," says a party worker. "I think he is more here. He is very humorous in a dry way, though he can be terribly pig-headed."

## U.K. may win £52m. Indian ships order

BY LYNTON McLAIN AND PHILIP BASSETT

BRITAIN is expected to sign a £52m. Indian ships order soon, following 18 months of discussion between the Overseas Development Ministry, the Indian Government and Sunderland Shipbuilders, part of the State-owned British Shipbuilders.

The deal will be financed by Britain's £144m. annual aid programme to India.

A hint that the deal was imminent came yesterday from Mr. Gerald Kaufman, Minister for Industry, as he left Heathrow for Warsaw to conclude the £115m. Polish ships deal, the contract for which was signed on Thursday.

He was expecting a "useful contract" to be signed "within days," he said, though he did not name the Indian deal.

The contract is likely to involve six 16,000 dwt. dry cargo vessels, to be built by Sunderland Shipbuilders.

Mr. Jim Gilliland, Sunderland's chairman, is in India

negotiating the final stages of the contract. This week-end he will join a party from British Shipbuilders which is also in India discussing this and other possible long-term deals.

Another British shipbuilding delegation will arrive in Karachi on February 8 on a three-day visit to discuss a possible order for eight 18,000-ton ships for Pakistan. It will be led by Mr. A. Ross Belch, managing director of Scott Lithgow.

Meanwhile, ship stewards at Smith's Dock shipbuilders on Teesside, yesterday agreed to accept the third Polish ship switch to them from the Swan Hunter yards on Tyne-side.

Stewards at Govan shipbuilders on Clydeside deferred a decision on whether to accept a further three ships lost by Swan Hunter because of a boiler-makers' dispute.

The Smith's Dock decision was

taken after a four-hour meeting of stewards representing ship and workers. Representatives of management and supervisors agreed on the switch earlier.

The company said: "Naturally we are very pleased."

A meeting of the stewards at Govan—which was originally allocated 11 of the 24 ships in the Polish deal—agreed yesterday to ask the Confederation of Shipbuilding and Engineering Unions for a report on the Swan Hunter dispute before deciding on the extra three.

Mr. James Airle, Govan shop stewards' convenor, said after the meeting that Mr. John Chalmers, chairman of the confederation's shipbuilding committee, had asked them on Monday to take no decision so that attempts could be made to settle the Tyne dispute.

Mr. Airle would not say whether the Govan stewards would be bound by any recommendation the confederation might make.

## Steel men back Redcar start

BY PHILIP BASSETT, LABOUR STAFF

THE British Steel Corporation development plan—will give work to 750 men, mostly men—will start in June last year because of a demarcation dispute—next month with full union co-operation.

A week ago British Steel said it would try to break the year-long deadlock over work practices and start production on February 15 without ratification of a new agreement by 50 members of the Boilermakers' Amalgamation.

A similar move almost caused branch secretaries Mr. Sirs said a national steel industry strike in 1975 when BSC tried to start work in the face of union opposition at the Llanwern blast-furnaces in South Wales.

But representatives of the Boilermakers' Amalgamation have ratified the Redcar manning BSC had asked for on some of agreement, drawn up in January the Commons' select committees' last year, which will allow recommendations for saving the flexibility of work between the various craft unions at the BSC.

Commissioning of the sister voluntary basis in the past two plant—crucial to the Redcar years.

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## Walkout stalls Rhodesia talks

By Tony Hawkins

SALISBURY, Jan. 27.

BISHOP Abel Muzorewa, the Rhodesian Nationalist leader, walked out of the "internal settlement" talks in Salisbury today in protest against the Smith Government's attitude towards a common voters' roll.

In a statement to-night, Bishop Muzorewa said: "My delegation and I walked out of the constitutional negotiations today in utter disgust after being met with complete intransigence by the Government's delegation on the question of a common roll."

He accused the Rhodesian Government, in what was believed to be a reference to Mr. David Smith, the Finance Minister and deputy Prime Minister, of using "abusive language" and causing the walkout.

There were some heated exchanges in the afternoon discussions. The Rhodesian Finance Minister is reported to have said that he was fed up with the "decit" of certain delegations.

Apparently Bishop Muzorewa had questioned both the agreement on a common voters' roll and the suggestion that an agreement "in principle" could be accepted as the basis for the establishment of an interim administration.

The Bishop was backtracking, according to some Rhodesians, on his earlier acceptance of a common voters' roll. In addition, his suggestion that a committee be established to draft the constitution before any agreement was announced or interim Government formed is reported to have infuriated the Rhodesian Government delegation. They were said to have been stunned at what they regarded as a change of heart by the Bishop.

It is not thought that the Bishop's walk-out signals an end to the talks. There are suggestions that he has succumbed—possibly temporarily—to Whitehall-inspired pressures aimed at frustrating Mr. Smith from announcing an agreement before the Malta talks between the Patriotic Front led by Mr. Nkomo and Mr. Mugabe and the British and U.S. governments.

In the meantime, the Rhodesian Government tightened its censorship regulations on war reporting and also stopped the local Press from reporting any statements by—or even mentioning—the Nkomo-Mugabe Patriotic Front and its local supporters.

The foreign Press is not affected by this ban, but it cannot report on the war without first having its copy cleared by the censors.

In spite of the latest setback, it is still thought likely that there will be an "internal settlement" in the near future.

Mr. Joshua Nkomo, the joint leader of the Patriotic Front, said that he feared the forthcoming talks on Rhodesia with the British and Americans in Malta would be "a waste of time," John Worrall reports from Nairobi.

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## THE LEX COLUMN

## An uneasy balance in the market

In the first four weeks of January 1977 the FT 30-Share Index jumped by nearly 14 per cent and the Government Securities achieved a gain of 9 per cent. That was not the only bumper January in recent years, and last month a feeling of expectancy was building up in the market as the turn of the year approached. But as so often a rise expected was a rise discounted. Since the end of December the 30-Share Index has shown a modest net loss of about 8 points and the gilt index is 2½ per cent lower.

Before Christmas the institutions had committed much of their liquidity to the gilt-edged market, and had bought partly paid stock which was designed to mop up some of their seasonally high January income as well (a call of £30m. is due to be paid over on Monday week). But hopes of capital gains in the gilt-edged market were shattered when the Government launched yet another new tax on January 9.

Given that the equity market has for a long time been taking its lead from gilt, share prices have had little scope to make progress. Equities are having to adjust to the publication of company profits which are progressively less padded by inflationary gains on inventories. And this week's big cash call from Midland Bank has come as a reminder that the rights issue season, which runs roughly from February to July, is once more upon us.

The market has had to contend with alarm signals flashing across the Atlantic: since the year-end the Dow Jones Industrial Average has crumpled by nearly 70 points. The nervousness is being transmitted to London where something as innocent as the delay in publishing U.S. trade figures (a snowstorm held up the statisticians) caused flutters in gilts this week.

The short-term technical position of the London market is being improved all the time as the inflows rebuild institutional liquidity. But the underlying cyclical trend is probably becoming less favourable, pointing to a delicate balance in the months ahead.

John Brown was worth an extra 2.1 points to the FT Industrial Index yesterday. Its forecast that profits in the year to March will rise from £10.9m. to £12.1m. to go. The market

capitalisation is £45m., earnings on a low tax charge may be about 100p per share, and a dividend yield of around 4½ per cent. could be significantly improved if statutory controls are lifted. But Brown is at a transitional stage. It has turned round its existing interests and now has to find new sources of growth.

Reports that British Leyland is considering a request for another £400m. of new equity come after a year in which profits have fallen way below target and borrowings have ballooned. It looked at the interim stage as though debt could have risen by about £200m. which if continued through 1977 would take total borrowings up to over £500m. compared with an equity base of under £400m. A further substantial cash outflow is expected in 1978.

A cash injection of this magnitude would certainly take the pressure off the new management for a year or so. It would also emphasise the nonsense of Leyland retaining its quiet company status. The Government's holding would stand at 95 to about 98 per cent. of the outstanding share.

Gas turbine deliveries and profits will roughly double in the current year, and this side could account for something like a third of overall group profits. This would be a remarkable return on capital employed of under £10m., and one that will be hard to maintain at a time when sterling is squeezing export margins.

Constructors John Brown has been the other big recovery/growth area, and the outlook for orders here remains promising. Taken together, gas turbines and CJB account for roughly two-thirds of profits—and represent only about a sixth of capital employed. CJB is a relatively high risk business, and John Brown is now anxious to establish one or two new significant profit centres to provide a balance.

It has the financial means to achieve this, since short term debt (which totalled £2.2m. two years ago) has recently been eliminated. One area for increased investment is machine tools, where the group believes it is in a position to develop competitive new families of tools, particularly automated turning machines. Acquisitions are also on the cards.

Meanwhile the re-rating of the shares could still have a March will rise from £10.9m. to £12.1m. to go. The market

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A cash injection of this magnitude would certainly take the pressure off the new management for a year or so. It would also emphasise the nonsense of Leyland retaining its quiet company status. The Government's holding would stand at 95 to about 98 per cent. of the outstanding share.

Gas turbine deliveries and profits will roughly double in the current year, and this side could account for something like a third of overall group profits. This would be a remarkable return on capital employed of under £10m., and one that will be hard to maintain at a time when sterling is squeezing export margins.

Constructors John Brown has been the other big recovery/growth area, and the outlook for orders here remains promising. Taken together, gas turbines and CJB account for roughly two-thirds of profits—and represent only about a sixth of capital employed. CJB is a relatively high risk business, and John Brown is now anxious to establish one or two new significant profit centres to provide a balance.

It has the financial means to achieve this, since short term debt (which totalled £2.2m. two years ago) has recently been eliminated. One area for increased investment is machine tools, where the group believes it is in a position to develop competitive new families of tools, particularly automated turning machines. Acquisitions are also on the cards.